



# Sustainability report '22-23



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INTRODUCTION

# About this report

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## Scope of Consolidation

Agristo group's financial consolidation takes place at the level of the holding, namely Imsto nv. This sustainability report follows the same scope and will be a representation of all core activities with a sustainability impact. This includes the four production sites (three in Belgium and one in the Netherlands), along with the commercial activities of Agristo nv. All the aforementioned companies are thus part of this report.

Companies where Agristo does not autonomously exercise control are not included in the consolidation and therefore are not included in this report. Production activities in India are structured as a joint venture and are currently limited to the production of potato flakes. Indian activities are not part of this reporting.

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## Scope of Activities

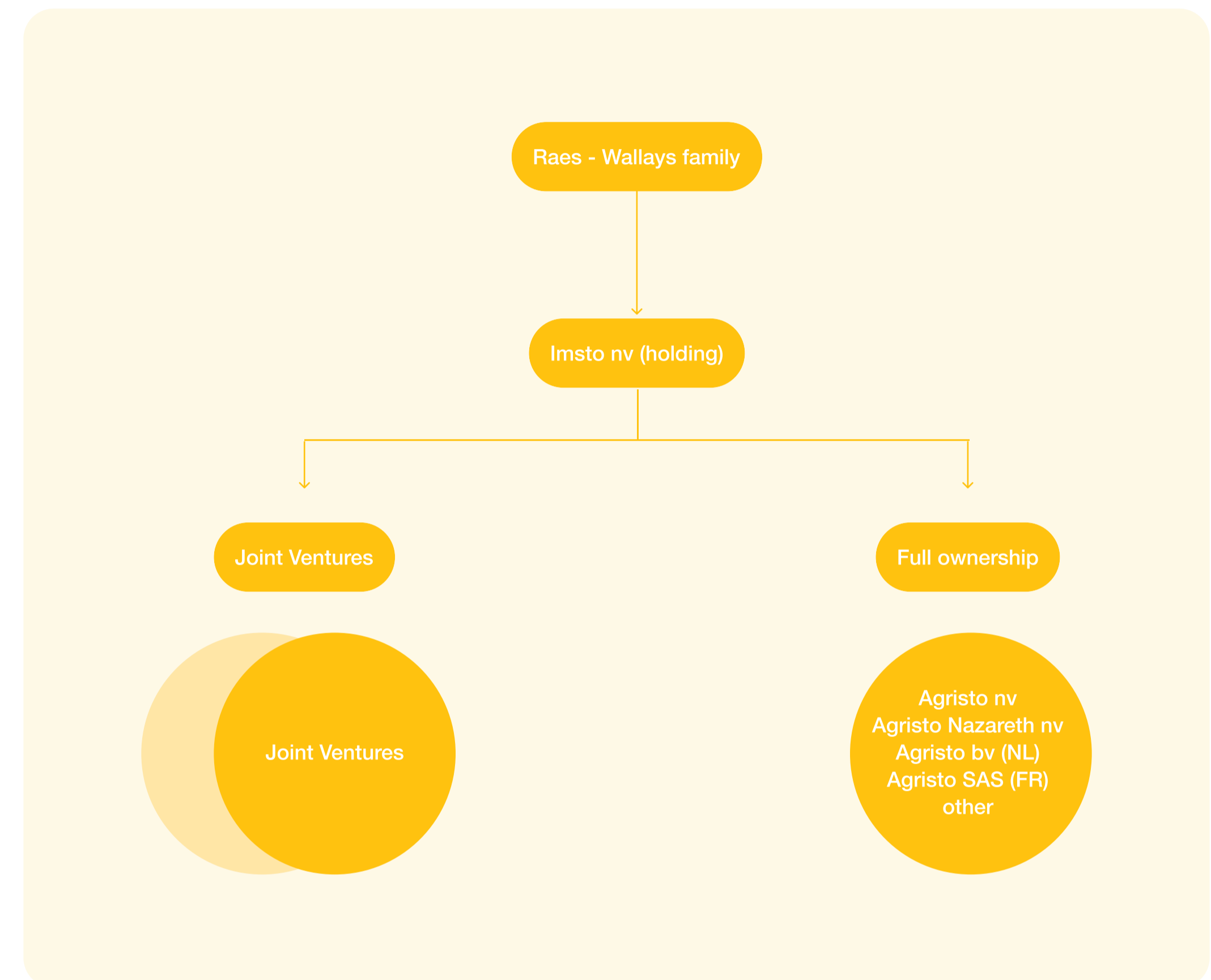
This report highlights our strategy for sustainable growth for 2030. It applies to the entire group and refers to the facilities in Harelbeke, Wielsbeke, and Nazareth (BE) and Tilburg (NL).

It covers the activities of the Agristo Group and these legal entities within this group: Imsto nv, Agristo nv, Agristo Nazareth nv, and Agristo bv.

# Legal structure

The core activities of Agristo can be attributed to the following companies:

- Imsto nv (overarching holding)
- Agristo nv (commercial activities + sites in Harelbeke and Wielsbeke)
- Agristo Nazareth nv (site in Nazareth)
- Agristo bv (site in Tilburg)



Agristo was founded in 1986 by the Raes and Wallays families. The company is currently entirely family-owned. Over the years, the group structure has been developed, overseen by the holding structure Imsto nv.

Within this holding, Agristo nv is the company responsible for commercial activities. Both the purchase of our main raw material, the potato, and the sale of our end products are carried out through this company. Additionally, the production activities of the sites in Harelbeke (BE) and Wielsbeke (BE) are housed within this company.

The production activities of our site in Nazareth (BE) are managed by the company Agristo Nazareth nv. Agristo bv handles all activities at the site in Tilburg (NL).

# Scope of Sustainability Report



Our reporting period runs from January 1, 2022, to December 31, 2023. It documents our progress since our last sustainability report, which was issued in September 2022 and is available on our website. We release a new sustainability report every two years. Starting in 2025, Agristo will transition to annual reporting.

The themes in this report were carefully selected based on their relevance to Agristo and all our stakeholders. It is based on the analysis of data at the group level and that of our facilities.

Exact figures in this entire report are always stated per ton of finished product, in line with the culture of efficiency within our company.

“

# Our growth can only be sustainable.

Agristo has grown at an accelerated pace over the past 2 years. This comes with considerable future ambitions. What have been the factors driving this growth, how does sustainability in the broadest sense play a significant role here, and what are we doing to continue growing sustainably?

Co-CEOs Hannelore Raes and Filip Wallays shape Agristo's vision and mission of sustainable growth.



## **Agristo has experienced significant growth in 2022-23. Growth is also integrated into the company's purpose. Is growth an end in itself?**

"Agristo is a family business with growth at the core. It's in our DNA and manifests in various ways. But our main purpose is to enable growth, for everyone within and around Agristo. Our founders' dream was to build a company where people can grow and thrive, have fun, and develop. We aim to mobilize our stakeholders, leading to continuous growth. We don't reduce growth to a number. It's a continuous flow where we empower people and drive positive evolution. We view favorable results and volumes as a natural outcome of this, rather than a goal."

## **Where should this purpose and vision of Agristo lead?**

"We nurture growth. This explains why we do what we do. Our main purpose is not just the production of frozen potato-based products. So, what is it then?"

“

# We believe Agristo's activities must be able to grow and thrive over multiple generations.

## **What challenges lie ahead for Agristo to continue this sustainable growth?**

"Firstly, climate change awaits us. This challenge is already leading to increasing costs in potato farming and energy. A second aspect is the noticeable shift from a centralized model to a decentralized one. We anticipate a more decentralized production in the world of fries, where the relative dominance of Europe and North America decreases. These regions have accounted for over 80% of global production in recent decades. We continue to believe in the Western Europe model. Our belief was materialized in 2023 by the expansion of the main site in Wielsbeke and the planned expansion in France. But we also aim to internationalize as a global reference. Asia, where we are already active in India, offers a good balance of costs and benefits. We are already demonstrating that sustainable and efficient cultivation and processing are possible there. A fusion of European and international growth limits and diversifies the risk of global trade restrictions."

## **Are there opportunities that we can and should exploit even more?**

"As we mentioned, we are looking for an even better balance between humans and machines. Machines are often not optimally designed in the most human-friendly way. The end-user is not sufficiently central. We keep looking for ways to make processes better and more insightful. A focus on human reinforcement should ensure that our employees can act easily, quickly and safely. Data and data sharing must also contribute here. There is a lot of data available: in our factories, in the field and with our partners. Creating an ecosystem in which data can be shared and exchanged creates a win-win situation for all stakeholders."

"Another point, in which we have already made great strides, is getting the most out of each potato. We are moving towards a zero waste result. But we aspire to more. The goal is to take the entire potato to the highest possible valorisation: an end product for human consumption."



Hannelore Raes & Filip Wallays, Co-CEOs of Agristo

## **And what role does sustainability play overall?**

"Our growth can only be sustainable. We are guided by our purpose in every decision we make. Wherever you settle, in Western Europe or elsewhere... you are increasingly faced with a license to operate. Wherever we are active and want to be present, we integrate sustainably into the environment. We explore sustainable techniques, raw material and energy-saving solutions, and human-centric working conditions focused on personal development."

We believe Agristo's activities that must be able to grow and thrive over multiple generations. This can only be achieved if we consider our long-term vision every day. In this sustainability report, you will discover the sustainable goals we have set for the long and medium term, and learn more about the steps Agristo is taking to achieve them."



Hi Luc,

Somewhere. Maybe nowhere. But definitely everywhere.

You've been gone for a while. But we have a lot to tell you. We certainly haven't been idle. We've just released our fourth sustainability report. A good time, we thought, to tell you about what has happened over the past two years.

There are many things that you would have been very proud of. For example, in 2022, we put a third production line into operation in Wielsbeke. And the flake line is now operational as well. In Nazareth, we have started the construction of a new office building and have been able to further increase our production capacity. Tilburg has put a completely new cold store into operation. The site that was closest to your heart, where it all began. Harelbeke may now be our smallest site, but it is a site on which the others can build and that continues to amaze us. We have continued to grow strong and can rely on the trust of our growers and customers. We are working hard to achieve your dream ... to connect that growth with our one family. It's all happening quickly. That one family has become much larger. It hasn't always been easy to find enough people, but those we find have become true potatoholics!

Our growers are still our pillars of support. They have experienced some difficult seasons. The harvests of 2022 and 2023 were challenging. It was either too much or too little rain, too hot or too cold. However, their expertise always pulled us through. They ensured that the factories were always supplied.

Of course there have been very dark moments. The tragic deaths of Aard and Michael have been a enormous loss to us all and there are still many unanswered questions. But you would have wanted us to stand tall and that is exactly what we'll do: working to take care of our people, take these learnings forwards and ensure these events will never be repeated.

We are making plans for the future. We have sharpened our mission to 'we cultivate growth'. We want to create an environment of growth for everyone in our ecosystem. But if we want everyone around us to grow, we must of course do the same. We have expansion plans for our factory in Wielsbeke and have also taken steps towards a first site in northern France. And we are even cautiously looking beyond European borders.

We miss you, Luc. In any case, we are continuing your work and that of Antoon.

Step by step, but at a quick pace.

All at Agristo.

**This was Agristo in 2022-2023**



# Heading towards the Corporate Sustainability Reporting Directive



"Eyes on the future" is one of Agristo's core values. This is very clearly noticeable in the organization. We always strive for more, better, and more efficiently, with a focus on the long term. It can be said that sustainability has been intertwined in the organization for years. However, we are increasingly challenged to look beyond our own organization.

What is the impact of Agristo on the world around us, and what is the impact of the world around us on Agristo? These are about the 2 most important questions that we need to develop according to the CSRD (Corporate Sustainability Reporting Directive). This CSRD has quite a significant impact on Agristo, where we are used to working based on concrete figures and common sense.

## How Agristo is preparing for CSRD reporting

It quickly became clear that the CSRD would be a multi-year project. With a team from different departments, supplemented with external expertise, we are going through the entire process step by step. In 2023, we conducted an extensive stakeholder survey as part of the double materiality analysis. We were pleasantly surprised by the many positive responses we received from our customers and suppliers: they are also asking to collaborate on sustainability. In 2024, we will further adjust our strategy to be fully aligned with the CSRD. The results can be found later in this report.

PART 1

# About Agristo

# Hi, we're **Agristo**



From fresh-dug spuds to golden fries: for 38 years, Agristo has been making the tastiest frozen potato products. It started as a small family business and has grown into a global player in processing and producing high-quality frozen potato-inspired specialties. The common thread? A desire to grow, passed down from generation to generation. And those family values that the founding fathers have emphasized since our establishment in 1986.

It is these values, built on care and drive, that more than 450 private label customers in 145 countries recognize and are guided by. They know they can rely on a sustainable partner. A partner that ensures the best quality, most efficient processes, punctual delivery times, and extensive logistical support.

Our pre-fried fries, crispy croquettes, and other potato products look and taste authentic. But as a category partner, we also offer innovative customization. Together, this accounts for an annual capacity of nearly 900,000 tons of finished product.

We deliver joy and warmth for all occasions through a fully automated, sustainable production network. From seed potato to distribution, from customer service to market research, more than 1,300 dedicated 'potatoholics' work every day in our high-tech facilities in Belgium and the Netherlands, with concrete steps already taken in India.

Whether you crave a creamy croquette worthy of a five-star review, want to enjoy the crispiest fries, or fancy a delicious-looking dipper... for both the retail and foodservice sectors, we aim for 10/10 in taste and ambiance.



# Our history



## 1983

Our story began in 1983 when the company was founded by two friends, Antoon Wallays and Luc Raes, and Antoon's father Etienne. Under the name Agrigel, they started a business in frozen vegetables.

Three years later, they opened their first factory in Harelbeke, Belgium. In September 1987, production of fries for the French and German markets began.

## 1990

Cycling enthusiasts saw cycling icon Greg Lemond win a captivating time trial in the Tour de France with sponsor Agrigel on his shoulders. Unfortunately, it wasn't Agrigel from Harelbeke. Oops, the brand name was already registered! And so in 1990, Agrigel was renamed Agristo.

## 2001

Agristo grew exponentially and looked beyond borders for the first time. In 2001, they acquired a site in Tilburg. This allowed the company to grow to an annual volume of 200,000 tons of fries by 2010.

One year later, in 2011, Agristo acquired the company Willequet in Nazareth, Belgium. The next generation was ready: and so founders Antoon Wallays and Luc Raes were busy preparing Kristof, Carmen, and Filip Wallays, and Dieter and Hannelore Raes to lead the company.

## 2006

Staying true to their West Flemish roots, Agristo acquired the factory in Wielsbeke in 2016, aiming to become the most innovative fry factory in the world. Two years later, Filip Wallays and Hannelore Raes stepped forward as co-CEOs. Soon after, a new historical record of 700,000 tons of finished product was achieved.

## 2021 - present

Agristo celebrates its 35th anniversary in style with the inauguration of a new headquarters next to the site in Wielsbeke. Aesthetics blend with a sustainable and dynamic work environment. As an established global player, Agristo is exploring growth opportunities within and beyond the European potato belt.

In 2022, the first steps were taken in India, albeit on a small scale. And in 2023, a former sugar factory in Tereos in Escaudoeuvres, France, caught their attention.

The goal is to produce an additional 300,000 tons of finished product and be operational by 2027.

# Key Figures 2023



## Employees (FTE)

Belgium: 980  
Netherlands: 253



## 889,553 tons

Total sales  
volume 2023



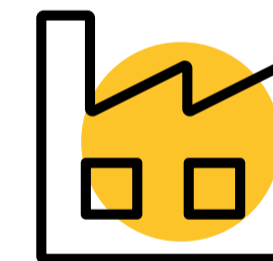
## 1,267.3 M Eur

Revenue



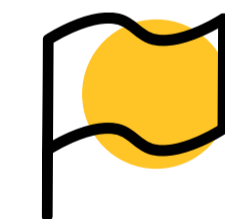
## 318

Number of  
unique  
products



## 4

Production  
sites  
in Europe



## 145

Number of countries  
where Agristo products  
are sold

# Key Figures 2023



**629,579 tons**  
Combined  
CO2 footprint



**75,780 tons**  
Scope 1  
CO2 footprint



**23,993 tons**  
Scope 2  
CO2 footprint



**529,806 tons**  
Scope 3  
CO2 footprint



**71.9 M Eur**  
Contributed  
corporate tax



**100%**  
Percentage of certified  
purchased potatoes

## Mission, vision and values



We cultivate growth. Agristo forms a sustainable community. A community where our people can thrive and grow, both personally and professionally. Because growth is in our DNA. In every fiber and vein. That's what drives Agristo every day anew.

But plants don't grow in the dark. And neither do people. So how do you stimulate growth? By nurturing a warm, friendly environment. Where the physical and mental wellbeing of everyone takes precedence. A universe where everyone can fully develop. That's why we developed the Potatoverse.

- **Our mission: to make you grow**
- Mission and vision
- Unique potatoholics, shared values
- Infused with our values

The Potatoverse is a separate world where anything is possible. A world where every change offers a new opportunity. Where you can do anything and become anything. As a human-centered organization, we believe that better human experiences and a continuous drive to do better as individuals and collectively lead to more resilience and more growth.

Looking at Agristo's growth gene, we see colleagues enthusiastically expanding their horizons, growers getting more out of their crops, and customers excelling for their customers. We support every link in the chain with advice and action. To grow. In every possible way, with our own strength, at our own pace.

Our constant: today's Potatoverse is not tomorrow's. We want to do better every day and explore new skills and technologies that propel us forward. Our Potatoholics are also at the helm, with autonomy, flexibility, and a daring vision as fuel.

# Mission, vision and values

Keeping in mind healthy growth, we aim to become the global reference for retail and foodservice in creating frozen potato-inspired products.

How? By creating added value with relevant solutions. By setting the standard through future-proof factories and processes. And by empowering our Potatoholics.

- Our mission: to make you grow
- **Mission and vision**
- Unique potatoholics, shared values
- Infused with our values



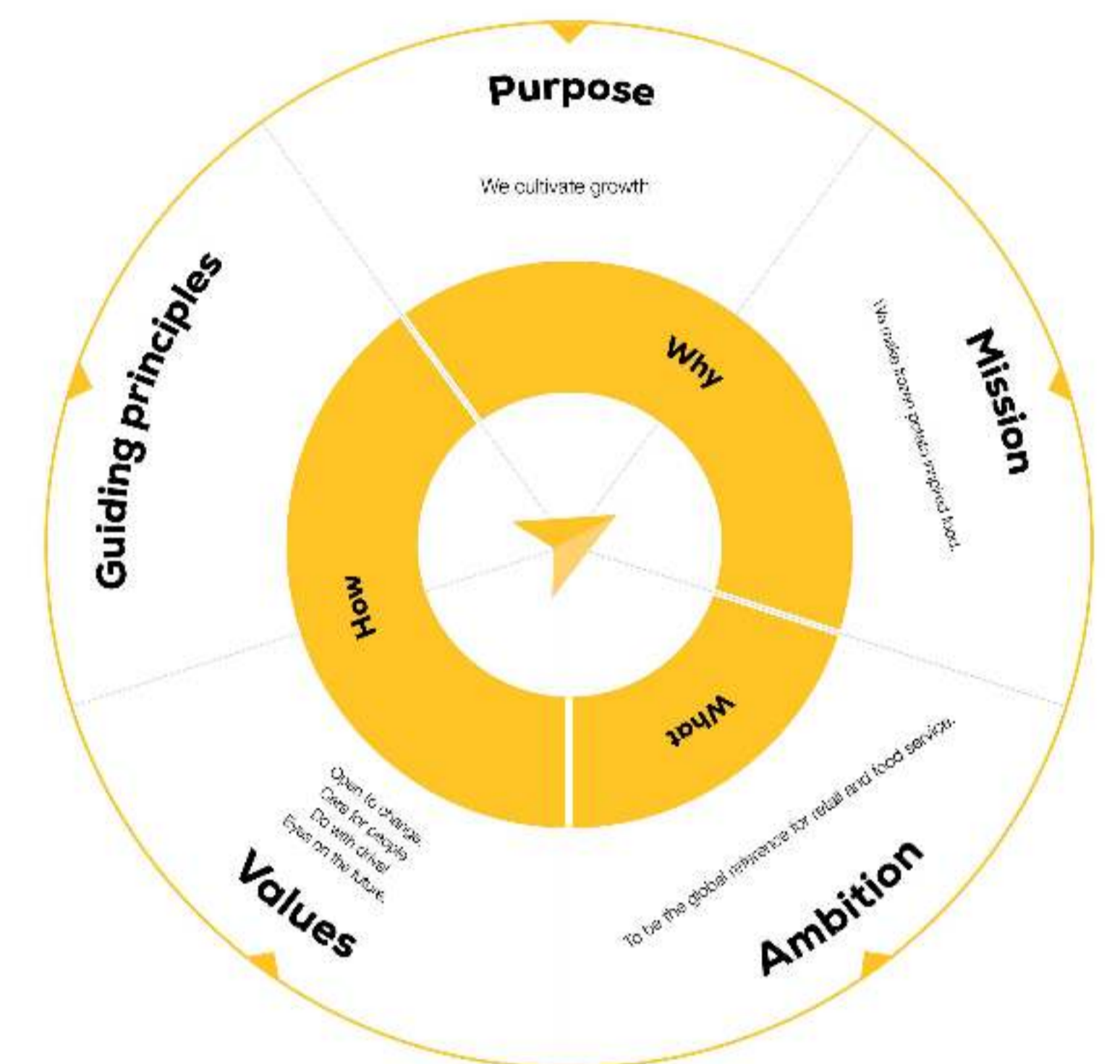




- Our mission: to make you grow
- Mission and vision
- **Unique potatoholics, shared values**
- Infused with our values

To achieve our mission, we are led by our compass of 11 guiding principles that guide us day in, day out:

1. We each take responsibility for identifying and resolving tensions.
2. We are individually and collectively responsible for personal and collective growth.
3. We are personally and collectively responsible for safety and food safety.
4. Every problem comes with a proposed solution.
5. We measure today against the future.
6. We make decisions with our head, heart, and gut feeling.
7. We dare to act and encourage entrepreneurship.
8. We give and accept direct feedback to grow together.
9. The needs of the team take precedence over individual interests.
10. We question what works today to do it even better tomorrow.
11. We start from a relationship of trust.



In addition, we also have four values. Because even though every potatoholic is unique, we all aspire to the same values.

- Openness to change
- Acting with drive
- Taking care of people
- Thinking and acting with a future focus

These values are externalized in the pZotataverse by four characters:

### Open-minded Olivia

Our potatoholics want to grow and embrace a changing work environment. They can express their talents in various ways. Open-minded people who make decisions from the head, heart, and gut.

### Caring Christophe

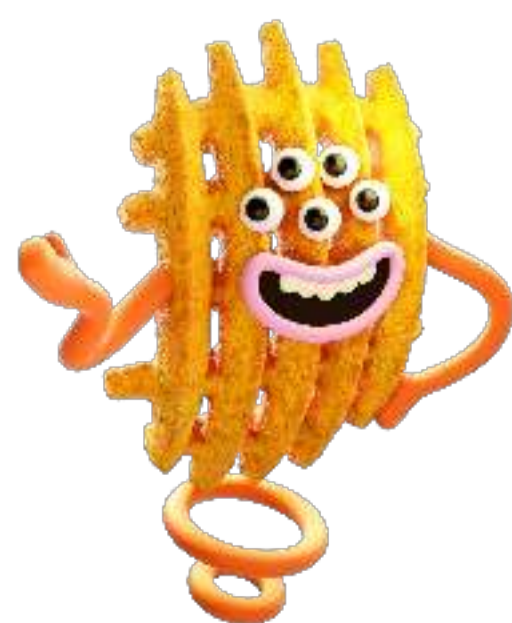
We value a relaxed, family atmosphere at all levels. Within and between teams, we work on relationships built on foundations like kindness, trust, and spontaneity.

### Driven Donna

Whatever challenges our potatoholics face, they tackle them head-on. They work well in teams but can also autonomously chart their path to broaden their expertise horizontally or vertically.

### Futuristic Fadil

Our employees are dreamers. They see the bigger picture and contemplate what is possible in the long term. The solutions they devise are ones that apply today and tomorrow. Everything they do is evaluated against the future.



# Mission, vision and values

Even in times of labor shortage, Agristo dares to set the bar high. We want to ensure that all potatoholics – old and new – embody and reflect our four values. Through an internal, accessible quiz, employees will discover which value is most prominent in them.

Each and every one of them are inspiring individuals who drive our organization and society forward. As an organization, we do everything we can to support them in this: with a strong company culture where people prioritize team interests over individual ones and collaborate, with zero tolerance for discrimination.

- Our mission: to make you grow
- Mission and vision
- Unique potatoholics, shared values
- **Infused with our values**



# Our products

Market research shows that end consumers perceive our frozen potato products as tasty, affordable, and easy to use: food that creates moments of connection.



We also have a target group actively engaged in conscious consumption and sustainability, two themes that are close to Agristo's heart.

Agristo makes every effort to help people can enjoy our products together consciously, with care for our planet.

## Enjoying Together

Culinary tastes vary worldwide. Ask people how the perfect fries look and taste, and you will get a different answer everywhere. Thanks to a specially developed step-by-step plan, we arrive at the perfect products for different consumers. From shape, crispiness, and taste to oils, certification (halal/kosher/...) and cooking method.

Agristo prides itself on a quality offering. We provide our customers with various affordable quality categories. In the aftermath of the pandemic and inflation crisis, family shopping baskets were rearranged globally. Consumer brands gained ground. Agristo has long shown that consumer brands are more than capable of providing the same quality assurance people expect from traditional brands.

In addition to trust in taste and quality, people are also looking for familiar, "comfort" products. Food items that are usable in multiple situations, offer easy access to a diverse plate, and serve as a quick solution in case of lack of time or cooking knowledge. Many of our standard products provide an answer to this thanks to the 'three-way cook', meaning they can be prepared not only in the fryer but also through more conscious cooking methods in the oven or air fryer.

The products are handy as a quick solution or a diverse option to liven up the meal. Frozen products have a long shelf life and offer the same nutritional benefits as fresh products. To further increase user-friendliness, Agristo also developed the SmartChef range. This helps chefs (and consumers) reduce waste by making products easier to portion.

## Enjoying Consciously

We continuously focus on improving our range and developing new products for consumers who are consciously seeking healthier and more sustainable food items.

This is done by:

1. Offering unpeeled products. The peel contains more fibers and vitamins while also creating less waste. The percentage of 'skin-on' products increased by 20% in 2023, growing to 13% of the total volume. In 2023, we also expanded our organic range with some additional skin-on products.
2. Focusing on a more extensive clean label range. Our products with a clean label have the simplest possible ingredient declaration. We aim to have clean label alternatives for all our products by 2030. For this purpose, we defined 9 different product categories. By the end of 2023, 7 categories already have a clean label variant. Additionally, all our cut potato products are gluten-free.
3. Providing our products with healthier oils and seeking alternatives to reduce or remove salt. We aim to prepare our products as much as possible with sunflower oil. This oil contains fewer unsaturated fatty acids than palm oil. In 2023, we prepared to fully switch our Nazareth site to sunflower oil.

## Planet

Conscious consumption and enjoyment is becoming increasingly important. People want to be better informed about the products that end up on their plate, to ensure that nothing or no one was harmed during the production process. Themes such as raw materials, packaging, and waste have a significant impact on our planet.

## Raw Materials

The low-hanging fruit? That's the potatoes! In a society where conscious and healthy eating go hand in hand, the choice of carbohydrates on your plate is not insignificant. Potatoes have the lowest footprint among popular carbohydrate sources, such as rice and corn. While rice has an impact of about 2.55 kg CO2e/kg, potatoes have a global average footprint of 0.2 kg CO2e/kg.

We source our potatoes locally at Agristo. They come from an average distance of 150 km from our factories. In other words, our factories are located right in the European 'potato belt'. Our agronomists have a close relationship with the 700 farmers who grow our potatoes. This is what 'local sourcing' ultimately revolves around. Once the potatoes are processed into frozen products, they are transported and distributed worldwide.

## Packaging

Our consumer unit packaging materials are 100% recyclable. We are exploring alternatives for glue, tape, and other packaging materials that are difficult to recycle. We want none of our precious potatoes to go to waste, and we're not afraid to think outside the box. We even dream about how we can use our potato starch for a circular type of glue used in our packaging.

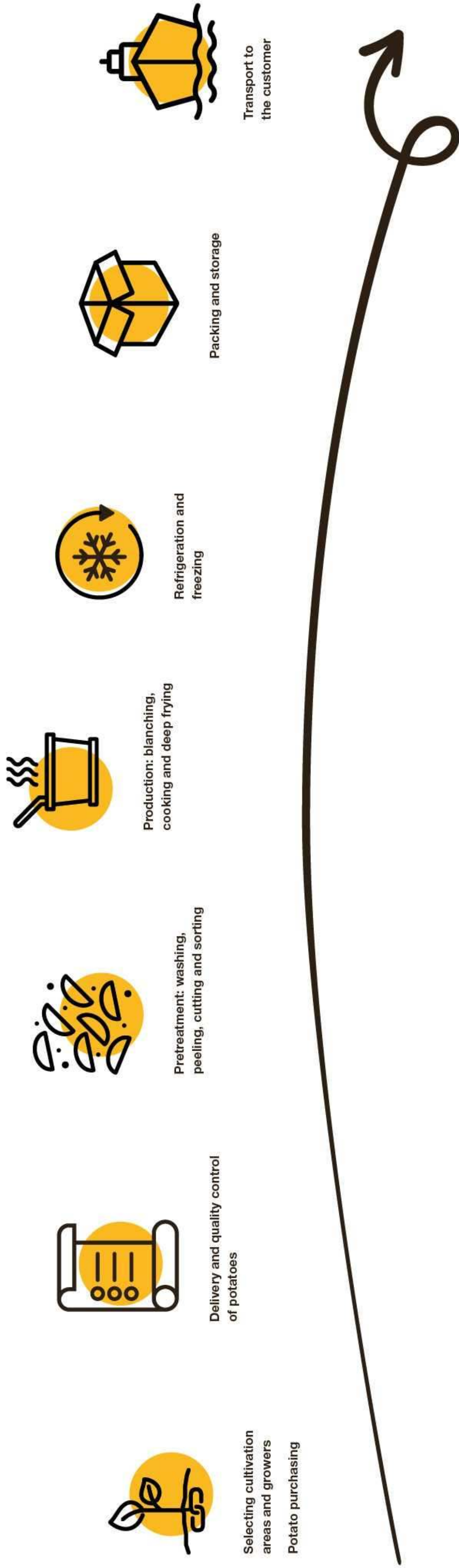
Furthermore, we are working hard to reduce our packaging volume. We are trying to transition our packaging, in consultation with our end customers, as much as possible from a film thickness of 50 to 40 microns. Our own 'starter brands', such as Maestro, already use this thinner film. Additionally, we are collaborating with external partners to test alternative materials for bioplastics packaging.

## Waste

Waste, be gone! We believe that our frozen potato solutions reduce food waste. Agristo is considering how it can achieve efficiency gains both in processing and with the end consumer. We already mentioned all our skin-on products with higher energy efficiency, or the in-house developed ranges that use portioning to minimize food waste. We also take measures in other links of the chain to minimize or completely eliminate waste.

- We continuously optimize our sorting and cutting machines. We ensure that even small potatoes and small cut fries are not wasted but can be reused for mash and flakes. While 'ugly foods' became a trend, we succeed in transforming almost all our by-products back into 'pretty foods'.
- New flake lines are used for our by-products. The by-products do not go to waste: we manage to upgrade them to a large extent for human consumption. The potato flakes are used by our customers for making chips, as well as pasta and bread improver. In Wielsbeke, we built the flake line next to our fry lines to keep our ecological footprint to the absolute minimum.
- Products that are not suitable for human consumption are reused as animal feed. Quality packaging that are unsuitable for sale - due to, for example, damaged or incorrect packaging - are donated to food banks. We donated 193 tons of our products to food banks in West and East Flanders in 2022 and 2023.

# Our business model



## Main stakeholders

Customers, suppliers/growers, employees, family shareholders, policymakers

## Sustainability topics

**Innovation in technology:** precision agriculture, growers platform, biotech, processing in the plants

**Employees**  
**Quality management**

**Carbon footprint:** energy, water, raw materials & waste streams, sustainable partnerships, transport

**Innovation partnerships:** product development / taste, convenience, time consumption, health, eco-friendliness

## Customers

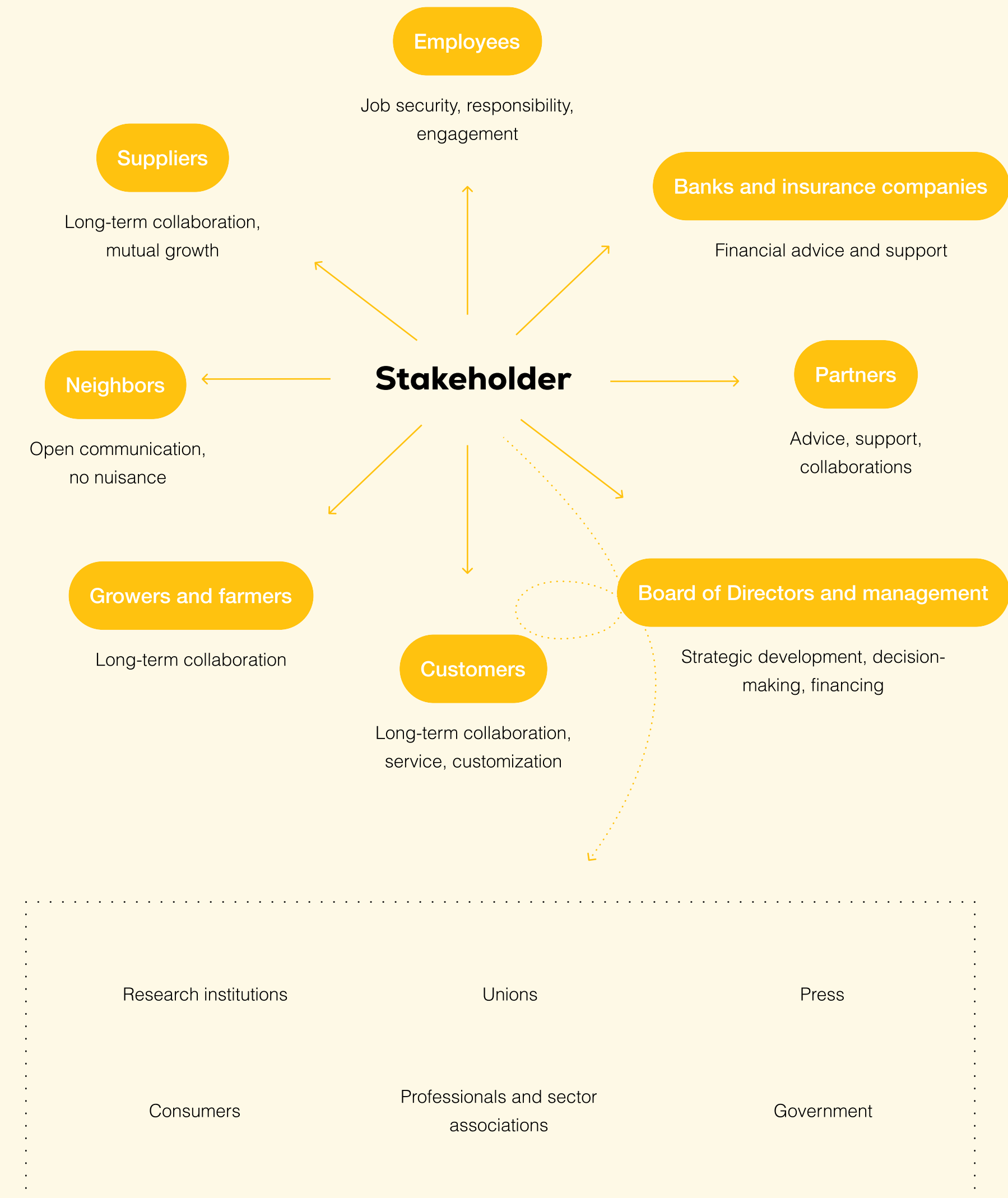
Experience kitchen, improving quality of private label, developing customer interaction, testing new product from the innovative product roadmap, etc.

## Our business model

# Our stakeholders and stakeholder engagement

Although all our stakeholders are important, our stakeholder analysis has helped us determine who to engage closely with, who to keep informed, and who to follow up with. This helps us communicate effectively with our many partners. Today, it guides our communication with our numerous partners (what we say to whom, when, how often, ...).

Placing the health and wellbeing of our partners first and helping them grow. Growing together, as one team. As one big community of potato fans who all want the same thing: to keep doing well.



# Our stakeholders and stakeholder engagement



## Our customers

Our customers are the people who serve our fries to those who enjoy them, such as retail and foodservice. We make every effort to meet our customers' needs. To grow together to our full potential. From high-quality products, service, and delivery to intensive customer interaction: we not only deliver but also think along with you. We pick up trends - through internal market research and consumer panels - from around the world and share them with our customers.



## Our growers

We build long-term partnerships with local growers. They are all experienced craftsmen who overcome nature's whims time and time again. We rely on their expertise and support them wherever we can. But they already face enough challenges. Rather than additional obligations, we look for ways to support, inspire, reward, and spread the risk correctly throughout the entire chain.

## Our suppliers

In addition to potatoes - and their sweet potato cousins - we need other ingredients to make our delicious fries, wedges, gratins, and more. Think of vegetables, cream, parsnips, or oil. We are already taking measures to reduce our ingredient intensity with lean production processes. In addition to our ingredient suppliers, there are also our energy suppliers, consultants, contractors, and many others. Every supplier can help us reduce our environmental impact. So, we need partners rather than just suppliers.



## Our neighbors

AgriSto is not an island. First and foremost, we are a neighbor. We communicate openly and regularly with the local communities to which we belong and treat their issues as our own. Through neighbor moments and newsletters, we keep them informed of developments in the company and the follow-up of any reports. Our goal is to reduce the number of reports each year and handle them quickly and successfully, aiming to have zero reports by 2030. In 2019, we received 54 reports, a number that decreased to 35 in 2023 across all our sites.



## Local organizations

We sponsor socio-cultural and sports organizations in our production regions. By 2030, we aim to support even more local initiatives involving our employees and neighbors. We also support health organizations, such as 'Het Ventiel', which offers buddy programs for people with early-onset dementia. We not only help them financially but also invite them to our social and sports events to break taboos and raise awareness about early-onset dementia.

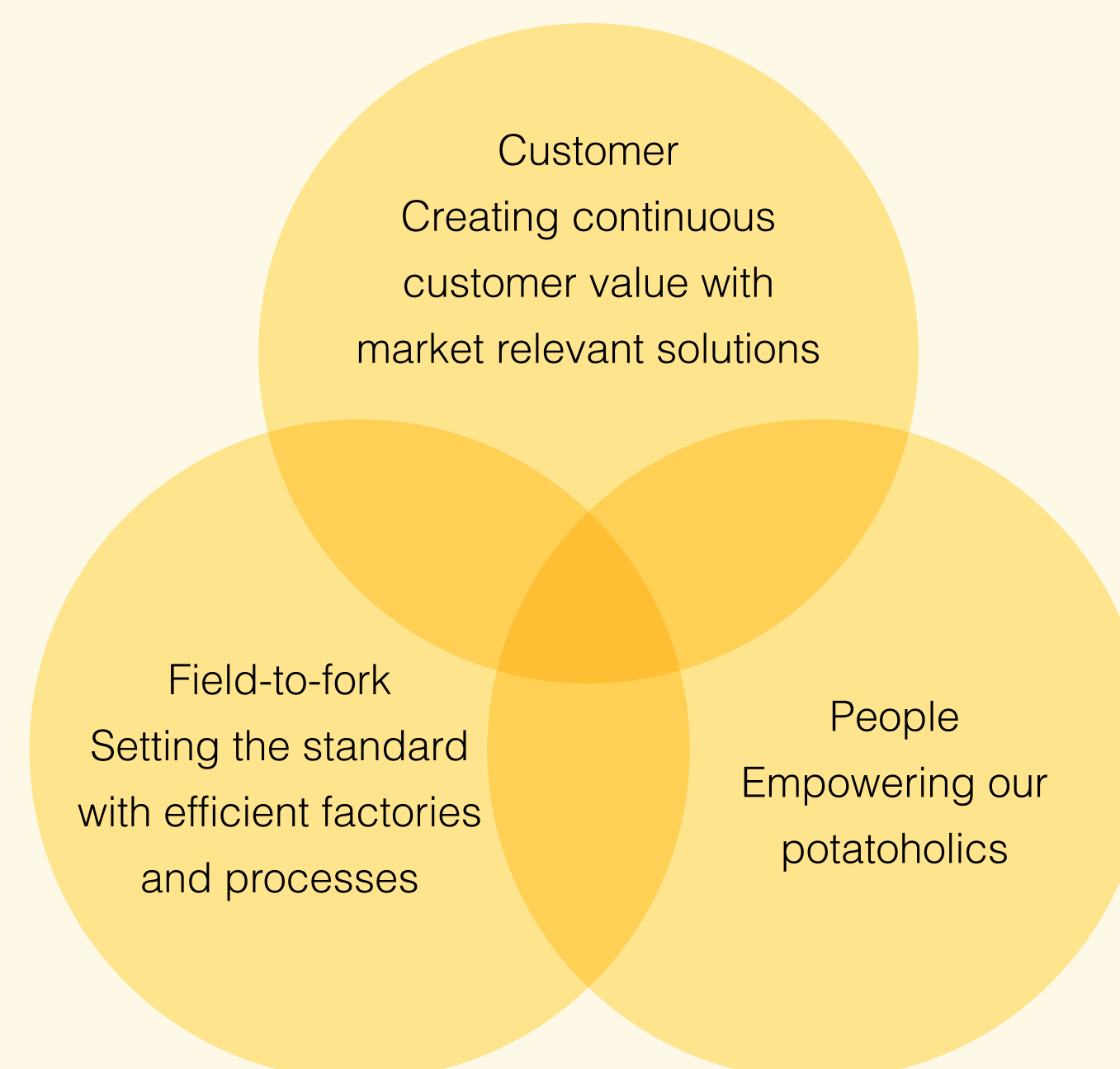
## Our employees

No one is better suited to embody our mission than our employees. Our potatoholics cultivate shared growth and increasingly demonstrate themselves as true brand ambassadors. Through a comprehensive onboarding process, we immediately familiarize new employees with the warm values we stand for, our sustainability goals, and how we aim to achieve them. Through a weekly newsletter, a semi-annual internal gazette, and regular live sessions, we continuously focus on raising awareness and engagement, developing our unique company culture.



# Our growth

We achieve growth by focusing on growth around us. Agristo puts forward 3 value streams that can drive the entire chain.



## Customer

We build long-lasting trust relationships with our customers. Retail and foodservice customers increasingly expect suppliers to support them as thought leaders. We gladly take on that role: we continuously inspire with market insights, an extensive range, and appropriate product innovations. Agristo conducts research in its customers' key markets and proactively approaches market segments to test products. Finally, we empower our customer service to enhance and streamline interactions with our customers.

## Field-to-fork

Agristo approaches potato processing holistically. We ensure that every step, from field to fork, is carried out with care and responsibility. We collaborate with local farmers to promote sustainable agricultural practices. By utilizing advanced technology in our processing facilities, we minimize waste and maximize efficiency, resulting in products that are not only delicious but also produced with a smaller environmental impact. Additionally, we work on traceability in our supply chain so that our customers know where their potato comes from and how it is produced.

## People

For us, our people are not a resource, but a value stream. We believe that our potatoholics are our greatest asset. We are committed to creating a supportive and dynamic work environment where each team member can thrive and grow.

# People strategies

We cultivate growth. Growth is in our DNA. We all know that grass doesn't grow by pulling on it. Neither do people. So how do we help our staff flourish? By creating an environment of trust, giving autonomy, encouraging connection, and ensuring that our potatoholics feel competent to thrive.



We want to empower our potatoholics. To provide them with the guidance and tools to fully flourish, we have outlined the principles of a comprehensive people strategy. This strategy is based on three pillars: putting people first, growing together, and building our future.

We make each pillar concrete by identifying various expectations that should be embraced throughout the entire organization. We have big ambitions, and sometimes there is still work to be done. But we continue to work on our people strategy to do better tomorrow than today. To positively influence the culture within Agristo, we focus on a number of strategic projects and related KPIs.



# Management team and how they are informed about **sustainability topics**



Our group is governed by a board of directors consisting of 6 family members and 4 external directors, from which a chairman is elected. This board assesses the company's key risks and reports on them in the annual accounts and management reports, which are audited annually during an independent statutory audit. The board of directors comprises 5 members with functions in the executive committee and 5 members with non-executive functions.

The 4 external directors are independent directors. The board of directors consists of 8 men and 2 women, while the executive committee has appointed 6 men and 4 women. Agristo's employees are represented through works councils and committees for wellbeing at work.

The board of directors is informed through approval of the sustainability reports. Throughout the reporting periods, operational sustainability themes are reported to the board of directors by the co-CEO responsible for sustainability, environment, and compliance. In the executive committee, the strategic aspects of sustainability are monitored by the co-CEO responsible for sustainability. Additionally, each department director is responsible for implementing the sustainability strategy within their department.

We report on the following material sustainability topics, according to the themes of the double materiality matrix.

## Our leadership team and how we organize sustainability

# Team overseeing sustainability reporting

This sustainability report was approved by members of the Executive Committee and reported to the Board of Directors. It was prepared under the responsibility of the Legal & External Affairs Manager, who reports directly to the CEOs.

There are several strategic programs that directly or indirectly impact sustainability themes. Each strategic program has a program leader who reports to a steering group. It is the responsibility of each program leader to embed the strategic program structurally in the organization's operations. Depending on the (sub)theme, the IROs (themes that are relevant and material for Agristo) are monitored in the relevant departments. Finally, reporting is submitted to the executive committee as part of sustainability reporting. To date, this reporting is done biennially. In the future, this reporting will be done annually.



**Our leadership team and how we organize sustainability**

# **Risk management and internal controls around sustainability reporting**

This sustainability report is approved by members of the Executive Committee and reported to the Board of Directors. It is prepared under the responsibility of the Legal & External Affairs Manager, who reports directly to the CEOs.

There are several strategic programmes that have a direct or indirect impact on sustainability issues. Each strategic programme has a programme leader who reports to a steering committee. The task of each programme leader is to structurally embed the strategic programme in the functioning of the organisation. Depending on the (sub)theme, IROs are followed up in the relevant departments. Final reports are made to the executive committee as part of the sustainability reporting. To date, this reporting has been done every two years. In future, this reporting will be done annually.



# Our leadership team and how we organize sustainability

## Statement on due diligence

The due diligence process is applied throughout the sustainability report. Below we describe the main key elements and their place in the report.



Core elements of due diligence	Place in the sustainability report
Integrating due diligence into governance, strategy and business model	Dual materiality
Engage affected stakeholders in all key steps of due diligence	Dual materiality
Mapping negative impacts identify and assess	Current and long-term challenges and impacts described by topic
Taking measures to address those negative impacts	Action plans described by topic
Monitor and communicate the effectiveness of these efforts	Results and result analyses described by topic

PART 2

# Financial information

Part 1: About Agristo

**Part 2: Financial information**

Part 3: Our sustainability report

## Message from the CFO



2022 and 2023 proved to be exceptional years financially. We achieved very good net results. Results we can be proud of: a result of hard work, consistent business strategies, and - yes - also favorable market economics.

These results are necessary to support the many investments. The potato processing industry is highly capital-intensive. Consequently, as a non-listed company, we reinvest the majority of our profits back into the company. On one hand, for further expansion of the company, but also to finance continuous replacement and optimization investments. This makes us one of the drivers of local employment. Since 2022, Agristo has also been among the top 50 largest taxpayers in Belgium. For the fiscal year 2023, it is even expected that we will enter the top 20 largest taxpayers.

Furthermore, we have built a strong liquidity and solvency position. We see this as a much-needed war chest: where today's economic situation gives us a tailwind, the increasing geopolitical and financial volatility can just as easily turn against us swiftly and harshly. In the past, we have had good and bad years as well. We want to be a strong partner for all our stakeholders, from suppliers to customers, a partner that stands strong even in difficult times.

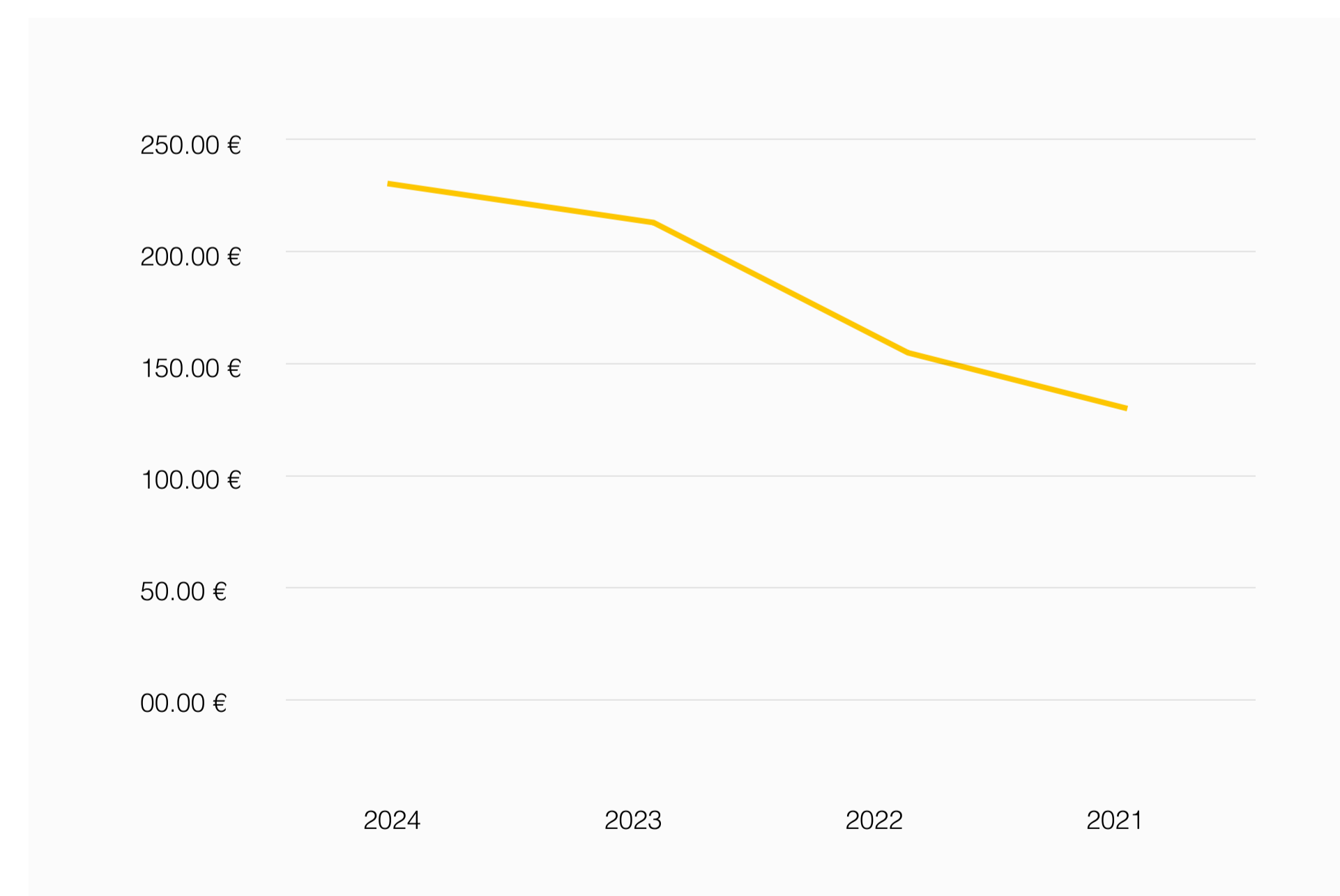
Alert and timely navigation through the rapidly increasing number of global risks will be crucial to maintaining our growth objectives for 2030. We have already faced difficulties in the supply of raw and auxiliary materials and protectionist measures due to increasing deglobalization. Nevertheless, we are very confident that we can achieve our many plans, even in a rapidly changing world. While 2023's price and volume growth fell short of expectations, we expect the market to continue to improve, with volume growth catching up.

# 2023

Globally, we have been faced with a series of crises in recent years: a pandemic, wars and geopolitical deglobalization, increasing raw material prices and an energy crisis. We experienced unprecedented potato and energy prices that have since settled somewhat, but will not return to pre-corona levels. Our selling prices have also risen, albeit with a delay.

The volumes we produced in 2023 remained fairly stable. Our customers were understanding of the rising costs we were facing and we were able to continue to focus on innovation and a diversified product mix with higher added value, enabling us to achieve a good financial result.

Being able to pass on higher costs is crucial to the long-term picture for the potato processing industry. Potato growers themselves are also increasingly facing higher costs, and this translates into higher purchase prices for the potatoes. Fair compensation for the growers is necessary to anchor the potato processing industry in Western Europe in the long term.



We also see that a shift from standard products to a more innovative product range, such as super crispy fries or product ranges optimized for oven and air fryer, has contributed positively to our profit margins. In 2022, standard fries accounted for 59% of the total volume, in 2023 it was 54%. A combination of these factors resulted in a 41% revenue growth in 2023 compared to 2022.

## Outlook 2024 (and beyond)

# 2024

We remain positive for 2024 and 2025. Agristo expects cost increases to stabilize, but with the market continuing to strengthen, our anticipated growth in the coming years will mainly come from an increase in production volume. Our ambition is to sell 1.25 million tons of frozen potato products globally by 2030.



# Outlook 2024 (and beyond)



In recent years, we have invested approximately €400 million, including in the Wielsbeke site. For the next 5 years, AgriSto plans to invest over €650 million again. Major projects include expanding the Wielsbeke site and establishing a new production facility in Northern France.

PART 3

# Our sustainability report

# Fries forever

At Agristo, sustainability is more than a strategy; it is a way to demonstrate our commitment. Together, we aim for high-quality potato products with a low impact. Innovation goes hand in hand with caring for people and our planet.



Our new sustainability strategy brings together all our sustainable efforts. It focuses on efficiency and sustainability throughout our value chain, from growing potatoes to distributing our delicious products. This way, we enhance our production processes, our corporate culture, and our engagement with stakeholders. Additionally, we embrace transparency and reporting according to CSRD standards, with a dual materiality analysis as the guiding principle. This helps us determine which ESG themes are relevant to our operations and value chain, ensuring that our reporting is transparent and meaningful.

# Our dual materiality analysis

The concept of dual materiality recognizes that an ESG theme can be relevant from two perspectives. First, there is impact materiality, indicating how our company and value chain impact people and the environment. Then, there is financial materiality, which maps the risks and opportunities of external developments such as climate change and examines how they can affect our financial position. The dual materiality assessment is a crucial tool for shared value creation at Agristo, as it identifies all material impacts, risks, and opportunities (IROs) related to environmental, social, and governance themes. We will describe these IROs as 'Agristo goals' hereafter. That insight forms the basis of our new sustainability strategy.

To enhance the reliability of our assessment, we involved as many stakeholders as possible in the exercise. We conducted an online survey and engaged several stakeholders in in-depth discussions about their interests and viewpoints. The dual materiality analysis was carried out from May to October 2023 and went through the following steps:

- 1.** Analysis
- 2.** Identifying potential Agristo goals
- 3.** Determining material topics

# Our dual materiality analysis

In the first phase, we conducted an 'As is' analysis. The aim was to assess where Agristo stands in terms of sustainability and compliance with CSRD obligations. Subsequently, we reassessed our priorities, taking into account the 23 objectives from our previous sustainability report. A thorough desk research on recent sustainable developments in the potato sector was part of the exercise.

During discussions with colleagues, we mapped out all key activities of Agristo and our value chain.

Additionally, we identified five relevant external stakeholder groups: suppliers and farmers; customers; local residents; government institutions; and research partners and consultants. The involvement of these groups in the dual materiality analysis was carefully planned, with choices between online surveys and interviews. Of course, our enthusiastic Potatoholics were not overlooked: internally, we engaged both management and workers in the analysis. This allowed us to establish a solid foundation for our further assessment.

- **Analysis**
- Identifying potential Agristo goals
- Determining material topics



# Our dual materiality analysis

- Analysis
- **Identifying potential Agristo goals**
- Determining material topics

After establishing the context and scope of the analysis, we created an initial list of Agristo goals that may be materially significant for Agristo and its value chain. We did this through the following steps:

1

We conducted desk research on emerging trends in the potato sector

2

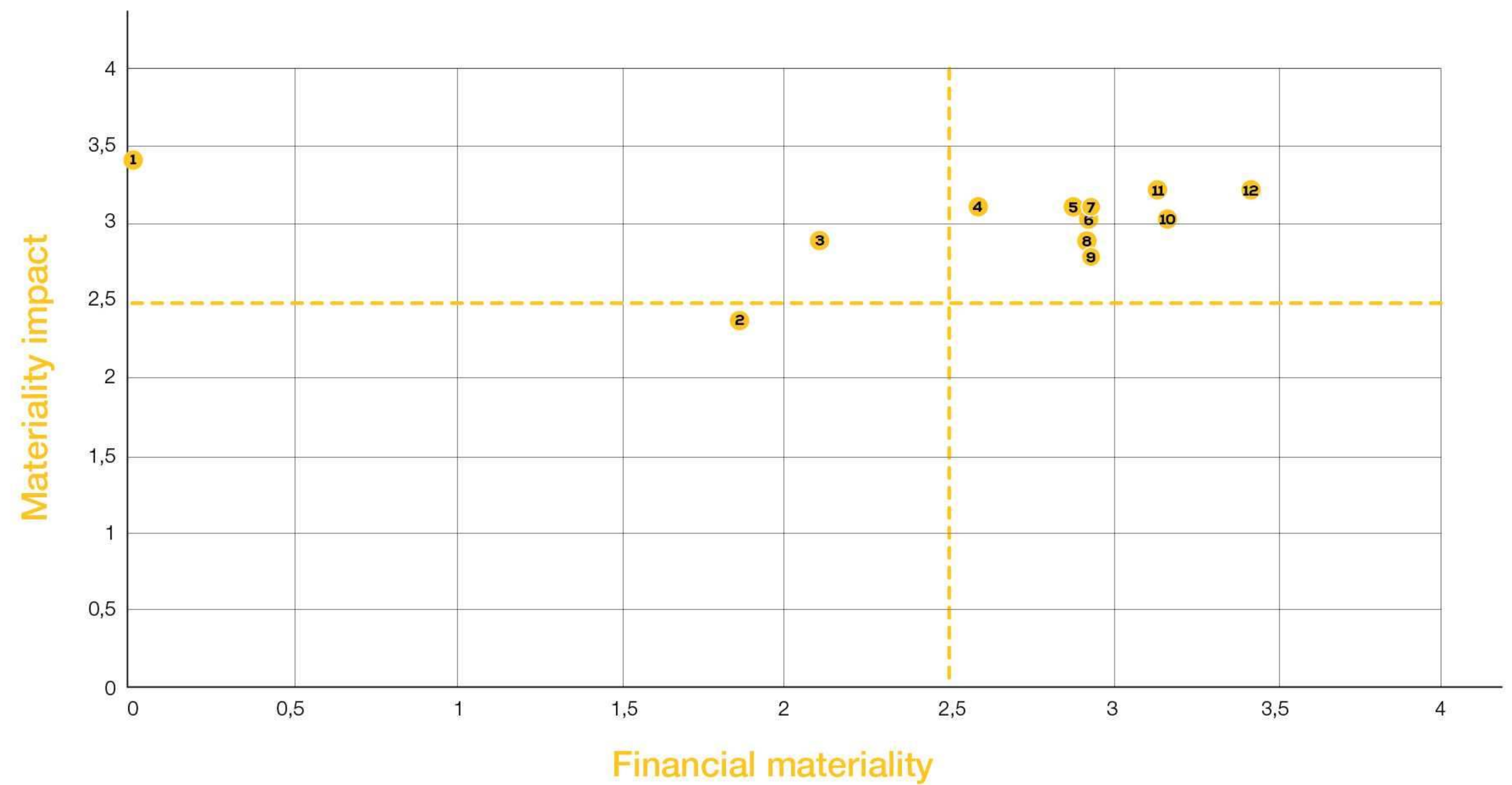
We analyzed sustainability reports of competitors and industry peers, and conducted a benchmark analysis on strategy, targets & KPIs, and reporting

3

We spoke with internal key figures and asked them about important Agristo goals, strengths, weaknesses, and challenges for Agristo

This analysis resulted in a list of 39 Agristo goals. In collaboration with the project team, we refined the list to 35 Agristo goals, which were then evaluated for their dual materiality.

# Our dual materiality analysis



- Analysis
- **Identifying potential Agristo goals**
- Determining material topics

- |                                  |   |                                   |
|----------------------------------|---|-----------------------------------|
| <b>1</b> Quality and food safety | <b>5</b> Sustainable use of raw materials | <b>9</b> Sustainable operations   |
| <b>2</b> Waste and packaging     | <b>6</b> Health and safety                | <b>10</b> Climate action          |
| <b>3</b> Sustainable purchasing  | <b>7</b> Engagement and well-being        | <b>11</b> Sustainable agriculture |
| <b>4</b> Health and transparency | <b>8</b> Personal growth                  | <b>12</b> Water                   |

Stakeholder engagement is crucial for evaluating material sustainability topics. To determine the final material sustainability topics, we conducted an extensive stakeholder survey. We collected interests and insights in two ways: through an online survey and via in-depth discussions.

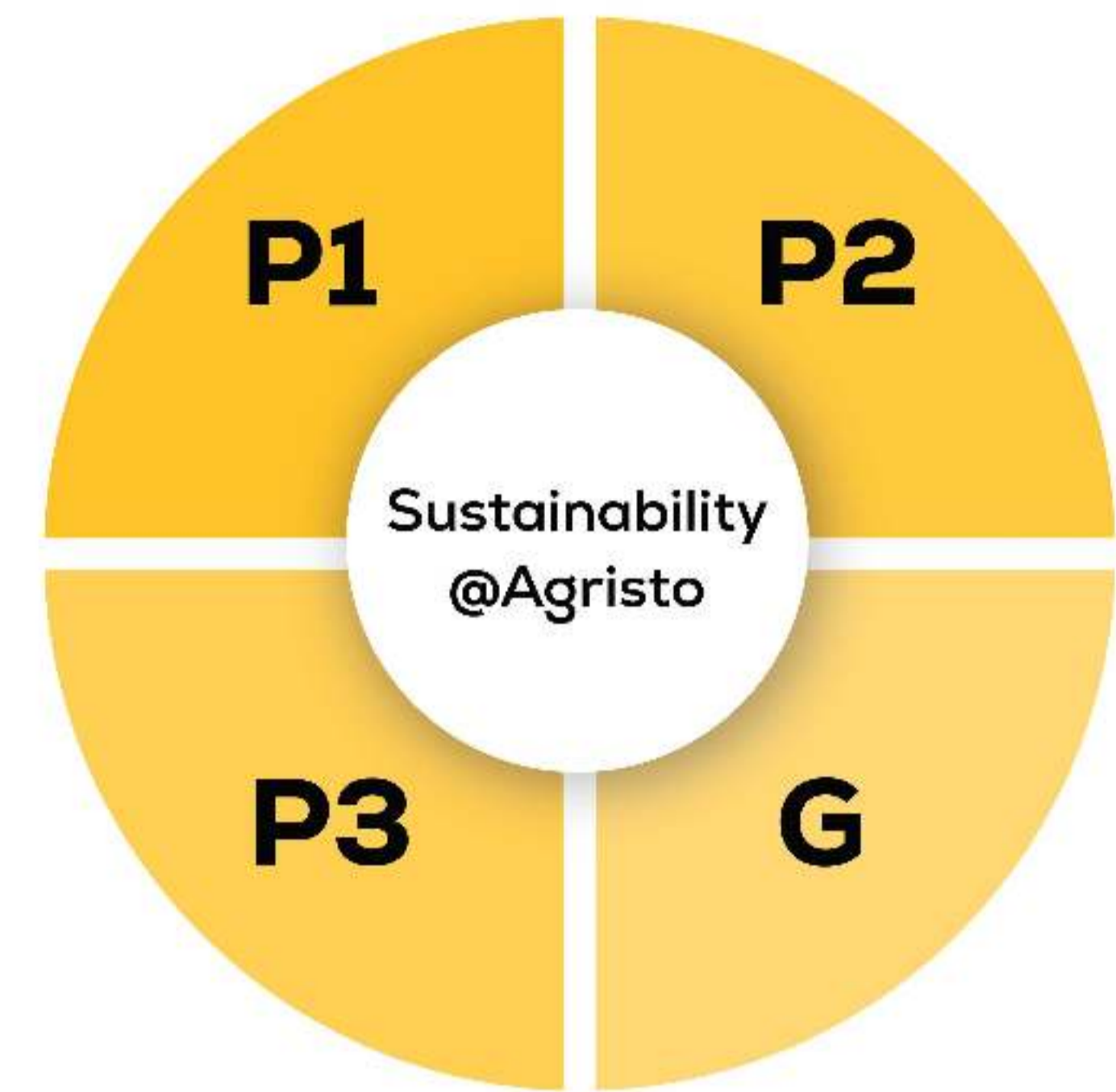
A broad group of stakeholders received an online survey where they could assess 35 Agristo goals for their relevance to Agristo and our value chain. Stakeholders were provided with a brief description for each goal and rated them on a scale of 0-4: no impact/risk/opportunity to very high impact/risk/opportunity. Additionally, we asked them to suggest any missing Agristo goals. In total, we received 352 responses from both internal and external stakeholders.

The qualitative insights from the survey were complemented with insights from discussions with eight external stakeholders. They shared their perspectives on the key impacts, risks, and opportunities for Agristo and why these are important. The discussions provided a clear picture of the interests and viewpoints of different stakeholder groups.

Ultimately, we integrated the results into a dual materiality matrix. All goals scoring above 2.5/4 were considered material and were grouped into ten sustainability topics, with impact materiality determined by the highest scores of the associated impacts, and financial materiality by the highest scores of the associated risks and opportunities. This approach is also known as a 'bottom-up' approach. After validation by management, these topics were used to form the building blocks of our new sustainability strategy. An overview of our material IROs and sustainability themes is provided in the appendix at the end of this document.

# Our way forward

Our materiality matrix serves as a map for our sustainability journey: we will focus our sustainability initiatives on these topics. The matrix maps our key impacts and highlights risks and opportunities. Furthermore, our material topics are also the hotspots where stakeholders expect action from us. Those actions will be taken! Our roadmap outlines our path forward to a more sustainable future, guided by our three strategic pillars and supported by sustainable business practices.



## **P1 - Is for Planet**

You can't have tasty fries without fertile soils, clean air and water. Innovation goes hand in hand with sustainability in everything we do. We use water and energy sparingly, reduce our waste and packaging materials, and choose sustainable transport options whenever possible.

## **P2 - is our team of Potatoholics**

We care for the health and well-being of our people, invest in safety measures, and offer ample opportunities for training and internal development. Engaged employees with a sense of initiative and entrepreneurship are treasured by us.

## **P3 - is for Potato**

We love potatoes, what more can we say? Developing tasty and high-quality potato inspired products with only the best ingredients is why we get out of bed in the morning. As a close-knit family business, we focus on constant innovation and sustainable growth. Nothing of our precious potato goes to waste.

## **G - is voor Governance**



# P1 is for the planet

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## Reduction of our carbon footprint

- Climate change
- Our impact, our contribution
- Our climate policy
- Five goals, seven years
- Results 2022-2023
- Big ambitions, smaller footprint
- Climate actions and action plan
- Additional CSRD KPIs

## Towards a sustainable potato supply chain together

- Our potato policy
- Our ambitions for 2030
- Action plans for a more sustainable potato supply chain
- Interview: at the coffee table with farmer Steven

## Maximizing the use of our resources

- Sustainable use of resources
  - Our resource policy
  - Our ambitions for 2030
  - Results for 2023
  - Resource actions and action plan
  - Careful use of water
-

# P1 • Reduction of our carbon footprint



- **Climate change**
- Our impact, our contribution
- Our climate policy
- Five goals, seven years
- Results 2022-2023
- Big ambitions, smaller footprints
- Climate actions and action plan

In recent years, climate change has impacted potato cultivation. We have seen more extreme weather in Western Europe, with longer periods of drought or excessive rainfall leads to greater yield variations per hectare. This has also affected the quality of the harvest. We observe that the average yield in the Western European potato belt seems to have remained stable, but it is clear that extreme weather will continue to impact stability and quality.

Legislation is becoming stricter to protect the environment, especially concerning water usage, carbon emissions, and crop protection products. As a family business that values respect and a proactive mindset, we prioritize the health and wellbeing of both this generation and the next. We take responsibility to limit the impact of our activities and contribute to a stable climate while protecting our precious soil.

# P1 • Reduction of our carbon footprint

Agristo has a high consumption of natural and fossil fuels but is increasingly focusing on renewable energy sources. Currently, we use fossil energy to generate heat for our processes and for transporting goods (processed or unprocessed). Our primary raw material, the potato, is natural. There is also a need for natural auxiliary materials such as oil and herbs to create our end products. We believe that through our production in the heart of the European potato belt and with high-tech and innovative processes, we can achieve high-quality yields with a limited footprint. We embrace the energy transition for generating electricity and heat, seeking solutions that not only benefit Agristo but also provide a reduction advantage for other links in our chain.

- Climate change
- **Our impact, our contribution**
- Our climate policy
- Five goals, seven years
- Results 2022-2023
- Big ambitions, smaller footprints
- Climate actions and action plan



## P1 • Reduction of our carbon footprint

- Climate change
- Our impact, our contribution
- **Our climate policy**
- Five goals, seven years
- Results 2022-2023
- Big ambitions, smaller footprints
- Climate actions and action plan



Agristo has big ambitions, but wants to achieve them with a small footprint. To do this, we have a climate policy aimed at protecting current and future generations. Our climate policy is communicated in our sustainability report to our stakeholders. It is also available on our website, and we regularly communicate about sustainability initiatives in our weekly newsletter and semi-annual staff magazine. This way, people will still be able to enjoy our potato products in 100 years. To minimize our own impact, we focus on the following aspects:

- Increasing energy efficiency
- Investing in renewable energy
- Reducing water usage
- Minimizing environmental impact

By forming long-term partnerships, we can create value for both parties. We collaborate with an external partner in a district heating network for the generation of green heat, and with another partner for upgrading surface water. Further downstream in the chain, we work with transporters to establish sustainable routes, and collaborate with waste processors to maximize the value from by-products and waste streams, thus promoting the circular economy.

The climate policy is integrated into Agristo's general policy. Climate and sustainability must be an integral part of the business operations and not be seen as standalone topics.

# P1 • Reduction of our carbon footprint

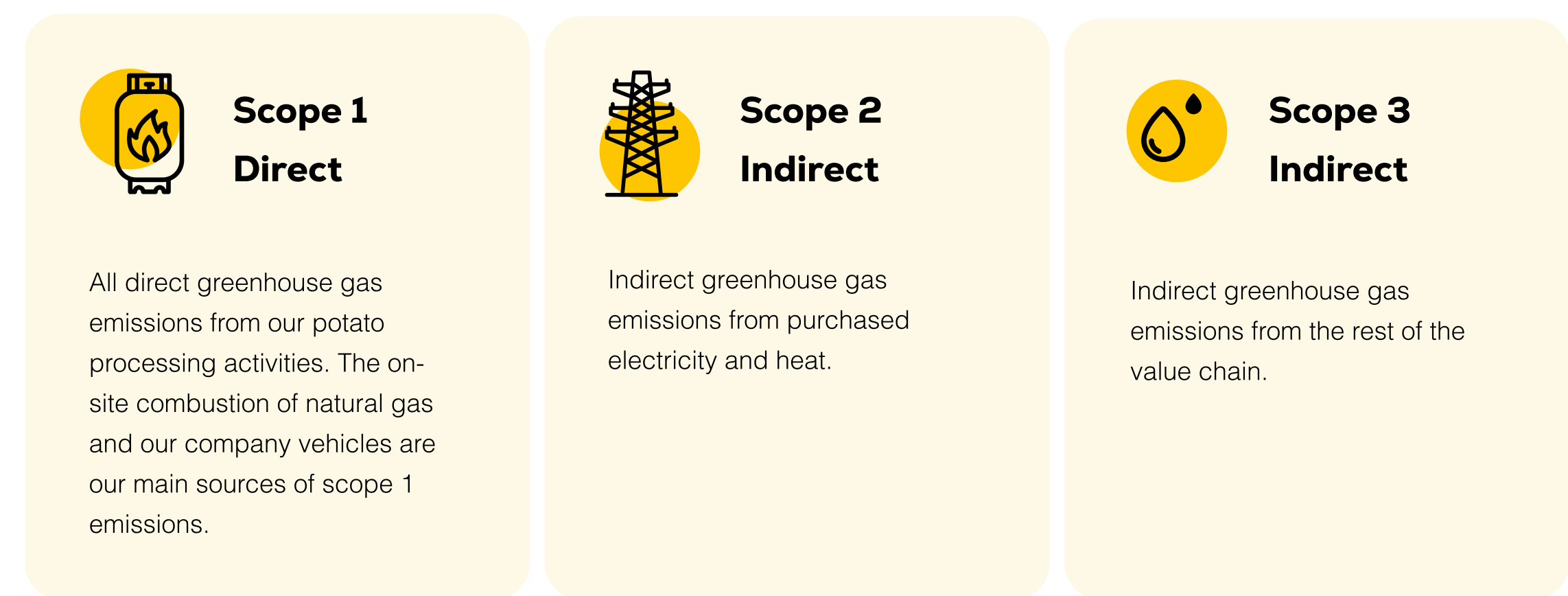
- Climate change
- Our impact, our contribution
- Our climate policy
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- Big ambitions, smaller footprints
- Climate actions and action plan

By 2030, we aim to reduce our carbon footprint by 30% compared to 2019. In 2023, we recorded 708 kilograms of CO2 emissions per ton of finished product, which is a total reduction of 90 kilograms per ton compared to 2019. We have set even more ambitious reduction targets in scopes 1 and 2, where we can have a more direct impact on carbon reduction, aiming to halve the emissions from our factories and purchased electricity and heat. To achieve these goals, we have established additional sub-goals that will contribute to the result.

Target	Unit	Reference Year	Target Year	Performance 2023
50% reduction in carbon footprint for scope 1 & 2 per ton of product (intensity)	kg per ton	2019	2030	33.8%
30% global reduction in carbon footprint per ton of product (intensity)	kg per ton	2019	2030	11.3%
10% reduction in specific energy consumption	MWh of energy per ton	2019	2030	+2%
50% renewable energy	%	2019	2030	22.65%
100% fossil-free company vehicles	%	-	2030	29%

# P1 • Reduction of our carbon footprint

- Climate change
- Our impact, our contribution
- Our climate policy
- Five goals, seven years
- **Results 2022-2023**
- Big ambitions, smaller footprints
- Climate actions and action plan



Following the Greenhouse Gas Protocol, we divide our direct and indirect greenhouse gas emissions into 3 scopes. For scope 1, we aim to halve emissions by 2030 compared to 2019. We observe a decrease in the combustion of fossil fuels in 2022, resulting in an emission of 82 kilograms of CO<sub>2</sub> per ton of final product. In 2023, this increased to 85 kilograms due to higher natural gas consumption at our Wielsbeke site. The absolute emissions in scope 1 are still lower - despite a significant increase in production - than in 2019. Relatively, we note a decrease of 21%.

Our scope 2 emissions stand at 27 kilograms of CO<sub>2</sub> per ton. The emissions in absolute volume increased as we purchase more heat externally, which we used to generate internally. There is a partial shift from scope 1 to scope 2. By focusing on purchasing low-carbon energy, the increase was limited, and we achieve a relative decrease of 55% in scope 2 compared to 2019.

Our emissions from scopes 1 and 2 combined account for 15.8% of Agristo's carbon footprint. This means that a large part of our impact comes from our supply chain. Nevertheless, we aim to reduce our emissions from scopes 1 and 2 by 50% by 2030. In our previous report, we took the first steps in the right direction with an 8.5% reduction compared to 2019. In 2023, we achieved a relative reduction of 33.8%. In addition to the relative reduction, we also saw an absolute decrease for scopes 1 and 2 combined, amounting to an 18.6% reduction in 2023 compared to the base year.

Therefore, the indirect scope 3 emissions make up the majority of our carbon footprint. When looking at the total emissions per source, we see that energy, potatoes, raw materials, and transportation have the most significant impact. In terms of energy and transportation, we have made the most progress relative to 2019: from 195 kg/ton to 130 kg/ton and from 117 kg/ton to 100 kg/ton, respectively.

## P1 • Reduction of our carbon footprint

“ Our greatest challenge is to make our heating more sustainable, and that's where we are making the most progress. Continuing to innovate with our partners is the only right way to address climate change.

— Peter Vos, Energy Manager



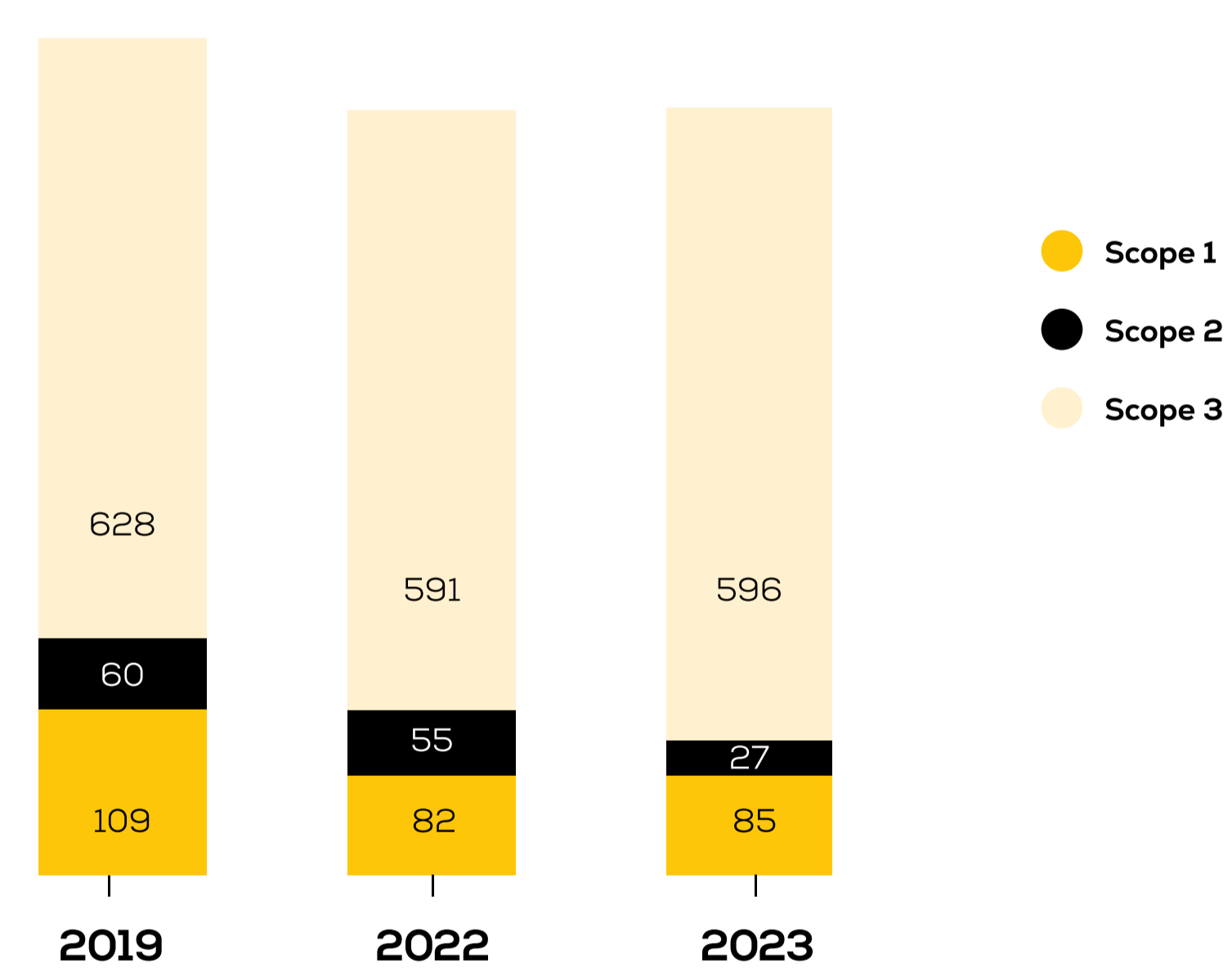
- Climate change
- Our impact, our contribution
- Our climate policy
- Five goals, seven years
- Results 2022-2023
- **Big ambitions, smaller footprints**
- Climate actions and action plan

Our global carbon footprint was 798 kilograms of CO<sub>2</sub> per ton of finished product in 2019 (scopes 1+2+3). By 2023, we will reach 708 kilograms per ton. Over this period, the total volume of potato products increased by 23%, from 723,000 to 889,553 tons.

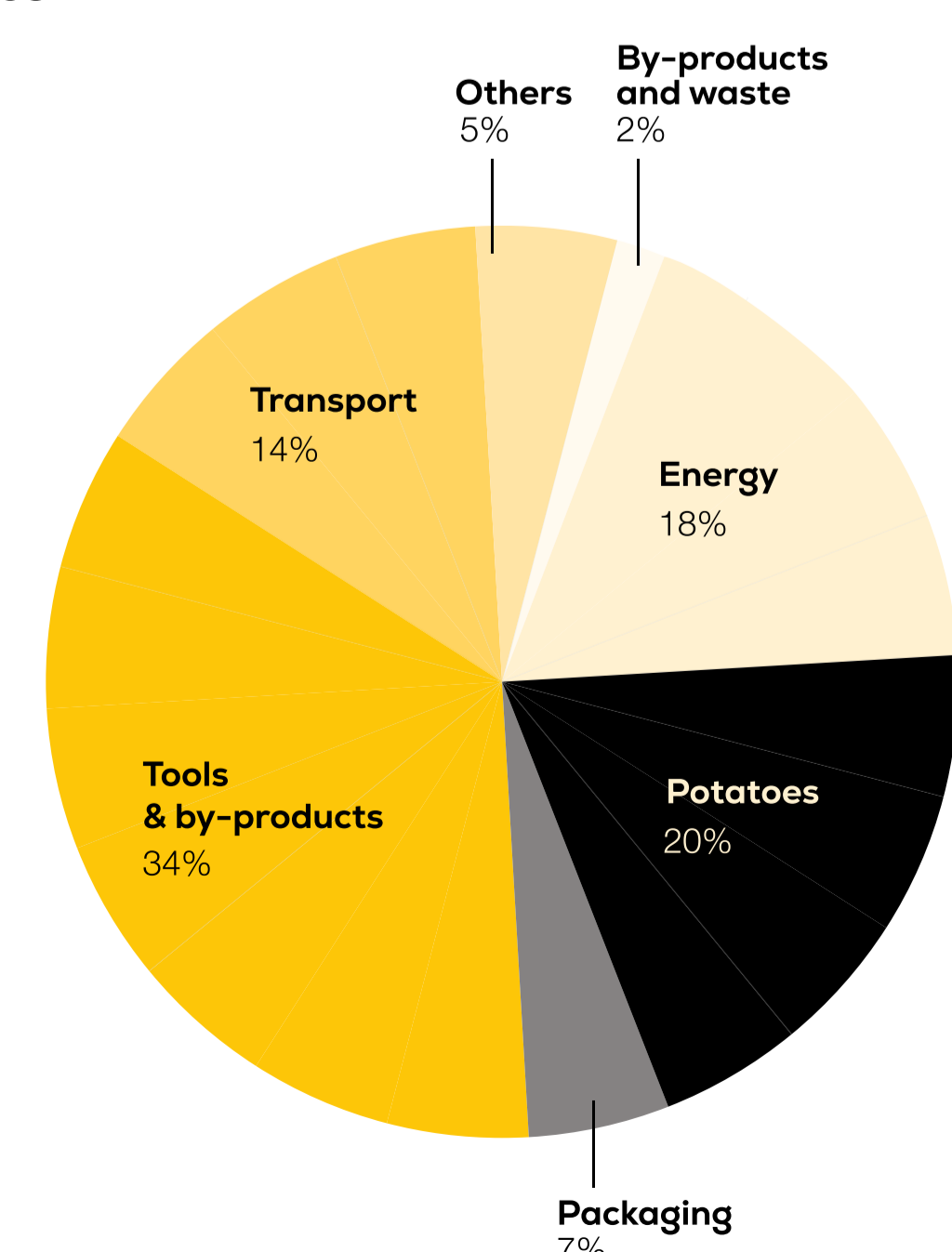
Our significant progress in scopes 1 and 2 indicates that we are on track to achieve our goals and halve direct emissions. Regarding the total carbon footprint, Agristo is focused on two challenges: firstly, the challenge of making our high-temperature processes more sustainable. Economic solutions to consistently generate a temperature of 200°C do not currently exist. Projects with external partners providing sustainable energy are essential at present to continue making progress. Of course, we will continue to monitor technological innovations and collaborate on university research related to sustainable energy generation.

Secondly, reducing scope 3 emissions remains a major challenge. We are aware that we have less direct impact here. The final decision on aspects such as packaging lies with our customers. However, it is important to engage in dialogue with our customers and suppliers, as they also face the same climate issues. Therefore, in the coming years, we will continue working with our key suppliers to further enhance the sustainability of our chain.

Subdivision by scope



Subdivision by source



# P1 • Reduction of our carbon footprint

- Climate change
- Our impact, our contribution
- Our climate policy
- Five goals, seven years
- Results 2022-2023
- Big ambitions, smaller footprints
- **Climate actions and action plan**

Peeling, blanching, drying, frying, heating, cooling, and freezing: we cannot make fries without energy. Nonetheless, we aim to increase our energy efficiency by 10% by 2030 compared to 2019, and 50% of our energy needs must come from renewable sources.

Our energy consumption increased in the initial years from 0.86 MWh/ton in 2019 to 0.91 MWh in 2021. We excel in markets requiring more complex products, which involve more energy-intensive processes. Through investments in technological innovations, such as dryers using residual heat and networks for heat recovery, we managed to stabilize efficiency in 2022 at 0.85 MWh: absolute fossil energy consumption decreased by 12% compared to 2019 despite a production increase. We also shifted more towards low-carbon electricity, reducing not only our direct emissions but also the indirect emissions from electricity purchases. In 2023, this slightly increased to 0.87 MWh due to a wetter and colder summer and the launch of a new potato flakes line in Wielsbeke.

The production of flakes is energy-intensive. The increase is mainly attributed to growing pains in Wielsbeke: the energy consumption of this new production line is significantly higher than our flakes line in Tilburg, which has been operational for several years. We are actively working to stabilize this. To achieve a -10% energy efficiency by 2030, we will need to further invest in energy-efficient innovations at our sites.



Renewable energy usage increased by 446% compared to 2019, thanks to a partnership with an external supplier, as well as our own biogas and solar panels. The share of renewable energy rose to 21.86% in 2022 and 22.65% in 2023. This indicates that we are on track to use 50% renewable energy by 2030, but additional efforts will be required in the coming years. Based on current results, this remains the strategy we must continue going forward: further greening by reducing our fossil consumption and focusing on purchasing and producing renewable energy. We observe steady growth that must accelerate further. This remains a challenge when considering Agristo's rapid growth and the decreased costs of fossil energy.

A new goal is the complete greening of the company fleet. In 2019, there were no electric company vehicles. By the end of 2022, they accounted for 6% of the fleet, and by 2023, the percentage had already increased to 29%. Investments were made in charging infrastructure at all our sites. Additionally, some of the charging stations are publicly accessible to further promote electric mobility in the area.



# P1 – Agristo goals

P	KPI	2030 Target	Baseline 2019	2022	2023	Unit	Evolution
P1	Scopes 1+2 intensity	-50%	169	136 -19.5%	112 -33.8%	kg CO2/ton product %	On track
P1	Scopes 1+2+3 intensity	-30%	798	728 -8.8%	708 -11.3%	kg CO2/ton product %	On track
P1	Renewable energy	50%	4.91%	21.86%	22.65%	%	On track, extra effort needed
P1	Energy efficiency	-10%	100% 0.86	99,30% 0.85	102% 0.87	% MWh / ton	No progress, extra effort needed
P1	Water usage	-10%	100% 3.47	99,60% 3.45	100% 3.47	% m <sup>3</sup> / ton	No progress, extra effort needed
P1	Sustainable water sources	50%	38%	43%	44%	%	On track
P1	Water reuse	10%	3%	3%	3%	%	On track
P1	% potatoes certified according to SAI FSA Gold / Vegaplan	100%	100%	100%	100%	%	On track
P1	Resource and material intensity	-10%	100% 1.58	100% 1.58	102% 1.61	ton of raw materials and materials / ton of final product	No progress, extra effort needed
P1	Valorization of by-products	100%	100%	100%	100%	%	On track
P1	% by-products that are not food waste		59.3%	75.8%	74.3%	%	Good progress
P1	% fossil-free company cars	100%	0%	6%	29%	%	Well on track
	Number of complaints	0	54	52	35	#	On track
P2	Frequency rate	0	28.54	29.58	38.26		Not on track
P2	Employee satisfaction (eNPS)		n/a		33.7	%	
P2	Gender distribution in top management	50-50	64 m - 36 f	64 m - 36 f	64 m - 36 f	#	
P2	% employees with performance and development discussions	100%	N/A	N/A	39%	%	New KPI

## P1 • Towards a sustainable potato chain

- Our potato policy
- Our ambitions for 2030
- Action plans for sustainable potato chain
- Interview: at the coffee table with farmer Steven



No high-quality product without high-quality potatoes. Or without the farmers who grow them. Every season remains a challenge: risk of drought, excessive rainfall, and a stricter regulatory framework. And yet, they deliver the potatoes we need to make crispy fries and creamy mashed potatoes, or wedges that are crispy on the outside and soft and fluffy on the inside.

# P1 • Towards a sustainable potato chain

- **Our potato policy**
- Our ambitions for 2030
- Action plans for sustainable potato chain
- Interview: at the coffee table with farmer Steven

Agristo wants to collaborate and support farmers to achieve sustainable agriculture that is economically viable and ecologically feasible. All this benefits the current generations, who face enough challenges around extreme weather conditions, strict regulations, and income security. But we also operate with respect for the future of the generations to come, through cultivation that contributes to global sustainability goals. We aim to make a difference for our existing growers, taking into account the long-term impact. Our policy focuses on stability in supply and quality because healthy fields are more resilient to drought, moisture, and diseases.

We have an extensive team of agronomists supporting our partner growers. Backed by almost 40 years of expertise in potato cultivation, they advise growers on the best agricultural practices, considering soil properties and changing weather conditions. Additionally, they study storage techniques to maintain the quality of potatoes before processing. In collaboration with ILVO and the Farmers Union, Agristo encourages growers to conduct a climate scan. This provides the farmer with better insights into the impact of their product, with suggestions on how cultivation can become more sustainable.

## How do we define ecologically sustainable agriculture?

For Agristo, ecological sustainable agriculture involves preserving the surrounding ecosystem by limiting the negative impact on the environment and biodiversity in all its aspects.

We focus on 4 key themes:

1. Carbon footprint
2. Biodiversity
3. Soil quality
4. Surface water quality

# P1 • Towards a sustainable potato chain

- Our potato policy
- **Our ambitions for 2030**
- Action plans for sustainable potato chain
- Interview: at the coffee table with farmer Steven

Our goal is to process potatoes produced based on sustainable agricultural practices. We are making this a reality by ensuring that all our purchased potatoes carry the Vegaplan certification. In 2023, this was the case for the entire purchased quantity.

Target	Unit	Reference Year	Target Year	Performance 2023
% of potatoes certified according to SAI FSA Gold / Vegaplan	%	2019	2030	100%

We also outlined 5 topics that impact our pillars of planet, people, and potato. In the next sustainability report, we will be able to explain more specific objectives for these.

## 1. Fair risk distribution throughout the entire chain

Today, our growers bear the brunt of the risk. We want to ensure that the risk is spread correctly across the entire supply chain, from grower to end consumer.

## 2. Maximizing the value from each potato

Agristo always aims for the highest possible valorization. We want to provide solutions to growers, even for less qualitative potatoes, to maximize valorization.

## 3. Reducing the carbon footprint of potato transport

Thanks to long-term strategic partnerships, we ensure that our growers are on average no more than 150 kilometers from one of our processing sites. To maintain this objective, in the search for new potato acreage, a new site was established in Northern France, allowing us to tap into a new market of local growers.

## 4. Applying sustainable practices by inspiring farmers

We empower our growers as entrepreneurs and do not seek to vertically integrate to take over their cultivation. Instead, we aim to inspire and support them in the challenges they face, primarily focusing on water-related topics (soil, irrigation, fertilization) as we believe this area faces the most pressure today.

## 5. Integrating sustainable practices by leading and participating in intersectoral platforms

Agristo aims to take a leading role in the sector to contribute to sustainability together and actively connect parts of the network with each other.

## P1 • Towards a sustainable potato chain

- Our potato policy
- Our ambitions for 2030
- **Action plans for sustainable potato chain**
- Interview: at the coffee table with farmer Steven

Agristo is committed to sustainability by doing, inspiring, and collaborating.

### Do

We take action on matters where we have an impact ourselves. We continuously explore techniques that lead to maximum valorization of the potato, such as fast and flexible reception and high-tech quality sorting. In terms of fair risk distribution throughout the entire chain, for example, we investigate the possibilities of hedging weather risks through pilot projects. We determine the protection available to the grower and assess whether additional measures are necessary.

### Inspire

Agristo is building long-term relationships with growers. We view them as independent entrepreneurs and aim to support them by connecting them with other growers, research institutions, etc.

### Collaborate

We believe in the importance of sustainability and endorse legislative frameworks. We cultivate growth, even with our growers. We aim to support our growers in sustainability without resorting to strict obligations. They already face enough challenges, and we believe in a positive and encouraging approach to working together towards the future. We are willing to lead the sector and foster connections. Among other initiatives for our growers, we organize grower days to promote knowledge sharing.



## Sustainability in potato cultivation

### Coffee and a chat with farmer Steven

- Our potato policy
- Our ambitions for 2030
- Action plans for sustainable potato chain
- **Interview: at the coffee table with farmer Steven**

One of the key links in our chain: our growers. No farmer, no potato. Maite Vanden Bulcke, our Strategic Project Manager Agro, sat down for coffee with Steven Van Hyfte, one of our dedicated growers in Meetjesland, giving us an insight into our sustainable partnership and the ecological initiatives that Steven, and the agri-industry, study and implement.

What does sustainable agriculture mean to you? And how does sustainability manifest itself in your work?

Steven Van Hyfte: "We think it's very important that we handle our potatoes more sustainably. For instance, we have planted some hedgerows and left 10% of our land fallow. We already protect the surface water next to our area. It is a very topical issue. You have to be willing to be critical of yourself because you also want to contribute to future generations."

Maite Vanden Bulcke: "We closely monitor the situation with seed potato companies because we also want crops that require less nitrogen and still provide yield certainty. But the search takes time."

Steven: "A completely resistant variety does not exist today. It is not possible to work without pesticides today, due to the risk of pests or the potato disease phytophthora. Even the organic growers in the area use copper as a protective measure. Yet it doesn't provide protection against potato blight."

Maite: "You can use natural crop protection products. But they can also have a negative impact on health. Just because you grow organically doesn't mean you can't use any substances. It's about how those substances are manufactured."

What sustainable and ecological practices have you already implemented?

Steven: "We want to waste as little energy as possible. Every pass over the field you make is one too many. This applies to the burden on your soil, which causes soil compaction and deteriorating soil structure. It also applies to the CO2 emissions from your machinery. Now it's one tractor – albeit slightly heavier – performing these three tasks in one pass. Our potatoes really struggle to grow in compacted soil, which easily accounts for a 20% difference in potato yield. Uncompacted soil is always better. For example, in the Netherlands, they have a system of bed cultivation. There, they have 3-meter beds, and a tractor that is also about 3 meters wide. And all machines fit in between. 100% uncompacted soil, as they sow between their wheels."

#### Our guests

Grower Steven is a loyal Agristo partner. He cultivates around 45 hectares of early and late potatoes. In addition to potatoes, there is also space for sugar beets, wheat, corn, and lambs. Steven is a true ambassador for the farming profession and can call himself instafamous. You can follow him at @boer\_steven.

Maite is responsible for the long-term strategy with our growers within Agristo. Besides focusing on operations, Agristo also aims to grow through sustainable partnerships. She ensures that relationships with growers – current and new – are strengthened. In times of strict regulations, she explores how we can support our growers, including in terms of sustainability, without causing additional administrative burden.



Also concerning soil life: earthworms should be able to move easily in the soil and create channels that bring oxygen to the roots of your crops. And when it rains, water should be able to drain easily to avoid waterlogging. We are willing to experiment with the latest developments on a smaller plot. Because it always involves some risk. There is no guarantee that the yield will increase."

Regarding our partnership. How do you experience our collaboration?

Steven: "We have a good connection with your agronomists. During the period of seed potato scarcity, I was still able to receive a shipment through Agristo. An advantage is also that we are covered by Agristo against extreme weather conditions and a failed harvest, through a force majeure clause. You don't get that from other Belgian players. This means that we don't have to cover the difference for the purchased potatoes on the open market to meet our contract volume. I do feel that Agristo wants to offer us a fair price for our potatoes. Contract prices have increased significantly over the past 2 years."

Also necessary, as our costs, from energy to materials and raw materials such as fertilizers, have skyrocketed."

Maite: "We are taking the entire sector forward. Last summer, we were the first to decide to increase contract prices. Then you see that the competition follows the next day. Our agronomists not only have to defend our interests, but they also act as lobbyists for the growers."

They identify potential issues, such as storage and smooth delivery. Equally, they come up with constructive solutions in collaboration with both parties. Internally, we ensure that processes and transportation run smoothly. Even if the potatoes are a bit smaller, we want to be able to accept them. For this, we are setting up flake lines next to our fry lines. Agristo also regularly invites the growers to the factory."

Steven: "Of course, there are always areas for improvement. We are often judged when there are potatoes of lower quality, but conversely, we rarely if ever receive positive feedback for exceptionally good quality."

The intensive automation facilitates our collaboration, such as electronic invoicing, monitoring, and the grower portal. But the downside is that the human contact is at risk of being lost."

Where do you see opportunities in sustainable cultivation?

Steven: "Regarding waste streams and circularity, they are now looking into farm compost. It is scientifically proven that when you compost your residual streams and reintroduce them to the field, you automatically get better soil quality and a less disease-prone crop. But the residual streams are currently with the processor, and you are still trying to upgrade them for, for example, animal feed. So that is a process that still requires some work. What goes out to, for example, biogas, could come back to the farmer for revaluation in the field. This could lead to less irrigation."

## P1 • Maximum utilization of our raw materials

Sustainable management of our potatoes, raw materials, and energy is a top priority. Positive energy and resource efficiency not only reduce emissions and protect the environment, but also lower production costs.

- Sustainable use of raw materials
- Our raw materials policy
- Our ambitions for 2030
- Results 2023
- Raw material actions and action plan
- Conserving water



# P1 • Maximum utilization of our raw materials

- **Sustainable use of raw materials**
- Our raw materials policy
- Our ambitions for 2030
- Results 2023
- Raw material actions and action plan
- Conserving water

## Less waste

Potatoes are a precious raw material. We cannot do without them. After all, there are no fries without potatoes. We also produce products using sweet potatoes and parsnips. We aim for a zero-waste result, where the entire potato is valorized.

## Fewer and more sustainable ingredients

This partly aligns with our ambition to reduce ingredient intensity. For our fantastic fries, crispy croquettes, and miraculous wedges, we need more than just a potato. Think oil, seasonings, cream, and vegetables. We focus on lean production processes and collaborations with our suppliers.

## More for people

Increasing resource efficiency takes many forms. Agristo is exploring new techniques, innovations, and processes to achieve the highest possible valorization of the potato: with the greatest percentage possible used for human consumption.



## P1 • Maximum utilization of our raw materials

- Sustainable use of raw materials
- **Our raw materials policy**
- Our ambitions for 2030
- Results 2023
- Raw material actions and action plan
- Conserving water



So we want to do more with less. We want to use fewer raw materials and ingredients per ton of finished product and still manage to make those same delicious products. We see no waste, we only see raw materials. Over the past years, we have significantly reduced the proportion of residual waste and have been trying to upgrade our by-products as much as possible.

# P1 • Maximum utilization of our raw materials

Less waste, fewer ingredients, and the highest possible valorization of each potato. Back in 2019, we set targets for each of these goals that must be achieved by 2030.

- Sustainable use of raw materials
- Our raw materials policy
- **Our ambitions for 2030**
- Results 2023
- Raw material actions and action plan
- Conserving water

Target	Unit	Reference year	Target year	Performance 2023
10% reduction in the use of raw materials and materials	%	2019	2030	+1.5%
100% valorization of by-products	%	2019	2030	100%

# P1 • Maximum utilization of our raw materials

- Sustainable use of raw materials
- Our raw materials policy
- Our ambitions for 2030
- **Results 2023**
- Raw material actions and action plan
- Conserving water

In our previous report we reported on raw materials, ingredients, and packaging separately. We now include these under a single KPI, following the double materiality analysis. Agristo consolidated the various KPIs regarding the use of various materials. This has resulted in a 1.5% increase. The increase is mainly due to the high relative value of the potato, as more than 1 kg of potato is always needed to produce 1 kg of final product. Packaging is considered immaterial after evaluating the double materiality matrix and is not included in the calculation. There has been significant progress in packaging, and the potential for improvement is limited.

We have already meet our goal of 100% valorization of by-products, following the hierarchy of the valorization ladder. The upgrade to food for human consumption was at 3.1% in 2019 and grew to 12% in 2023. The share for animal feed also increased from 56.2% to 62.4% in that period. This means that the portion that we can categorize as high-value valorization (end use for human or animal nutrition) increased from 59.3% to 74.3%, a positive shift of a significant 15%.

# P1 • Maximum utilization of our raw materials

- Sustainable use of raw materials
- Our raw materials policy
- Our ambitions for 2030
- Results 2023
- **Raw material actions and action plan**
- Conserving water

## Less waste and fewer ingredients

Agristo aims to focus more on human and animal food products. We want to maximize the intrinsic value of our by-products. Valorizing for human consumption is also maximizing the nutritional value. This applies to animal feed as well, albeit to a slightly lesser qualitative extent. In contrast, valorizing for energy results in the complete loss of nutritional value. By focusing more on operational excellence, we aim to minimize production losses. Any surpluses of finished products are donated, for example, to food banks. We also aim to achieve the same quality of end product with fewer products. Clean label products are a good example of this. By 2030, each product category should have a clean label variant. In 2023, 7 out of 9 categories already have a clean label alternative.

## More for people

We follow the Moerman Ladder and strive for maximum use for human consumption. In addition to our flake production, we invest in research on high-value valorization of plant proteins and starch from our by-products. However, we do not view the portion going to animal feed negatively. Critics argue that valorization for animal feed promotes the meat industry and is therefore not sustainable. However, local by-products remain a better alternative today than importing additional feed from other countries, including soy and corn. Given the current situation, this is the most sustainable solution.

## P1 • Maximum utilization of our raw materials

Both our potatoes and production processes require water - for washing, peeling, cutting, blanching, and cooking. Transporting the potatoes between processes also requires water, as does heat exchange.

- Sustainable use of raw materials
- Our raw materials policy
- Our ambitions for 2030
- Results 2023
- Raw material actions and action plan
- **Conserving water**



# P1 • Maximum utilization of our raw materials

## Our water policy

We minimize our water usage per ton of finished product as much as possible and maximize the use of alternative water sources, such as surface water or reclaimed water. This helps reduce pressure on groundwater levels and the drinking water network, thereby keeping the overall water risk in the region around our factories low. Our production processes in Wielsbeke rely on purified water from the Leie River.

### Agristo beer with reclaimed Leie water: O'de Lys

We know that water scarcity affects all food products: from potatoes to beer. The waters of the local Leie river, captured by De Watergroep, is upgraded to drinking water quality in our water factory. This sustainable story was recognized by the Heerlijk Objectief Proeven Association, which led to the idea of brewing a unique beer with the golden water of the Leie. Since 2018, Agristo has been collaborating with the Kortrijk-based Toye brewery to make this happen. We regularly send a tanker of purified Leie water to the brewery. Water is becoming scarce, which is why we, together with De Watergroep, have invested in an economically and ecologically sustainable project. The fact that we can support another initiative with this is a great bonus.



- Sustainable use of raw materials
- Our raw materials policy
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- Results 2023
- Raw material actions and action plan
- **Conserving water**

# P1 • Maximum utilization of our raw materials

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## Our ambitions for 2030

By 2030, we aim to increase our water efficiency by 10% and ensure that 50% of the water in our factories comes from alternative sources compared to 2019, with 10% from reuse.

Target	Unit	Reference year	Target year	Performance 2023
10% reduction in specific water consumption	m <sup>3</sup> per ton	2019	2030	+0%
50% alternative sources for water consumption	%	2019	2030	44%
10% of the water from alternative sources is reused water	%	2019	2030	3%

The methods for determining the objectives are based on the double materiality analysis and on the European and global climate goals. We established the imposed figures by calculating the various scenarios around water consumption. These calculation methods have been internally verified and comply with regulations on sustainable water use.

# P1 • Maximum utilization of our raw materials



- Sustainable use of raw materials
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- **Conserving water**

## Results 2022-23

During the baseline year for our measurement, 2019, nearly 1 million m<sup>3</sup>, then representing 38% of our water consumption, came from alternative sources. We have observed that in 2023, absolute water consumption has increased by 23%. This aligns with the rise in production volume. Our water intensity (m<sup>3</sup>/ton of final product) remained stable over this period. However, the share from sustainable sources increased from 38% to 43% in 2022 and 44% in 2023. We are ahead of schedule to achieve this goal. The volume of water reused after treatment in our factories, as in 2019, stands at 3%.



# P1 • Maximum utilization of our raw materials



## Water actions and action plans

In terms of water efficiency, we have made little progress. This is mainly because major efforts have already been made, which have already paid off in the past. We have noticed an increase in water consumption at several sites. To promote water efficiency, Agristo needs to raise awareness. On the other hand, strategic projects on water are in full swing. Water reuse is being investigated and a water reuse plant commissioned in Tilburg, which re-purifies effluent into water we can use in our cooling towers. Thus, we do not have to use drinking water for this application. We look for the right application for each water stream and see where we can recover even more water from our existing processes.

- Sustainable use of raw materials
- Our raw materials policy
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- Results 2023
- Raw material actions and action plan
- **Conserving water**

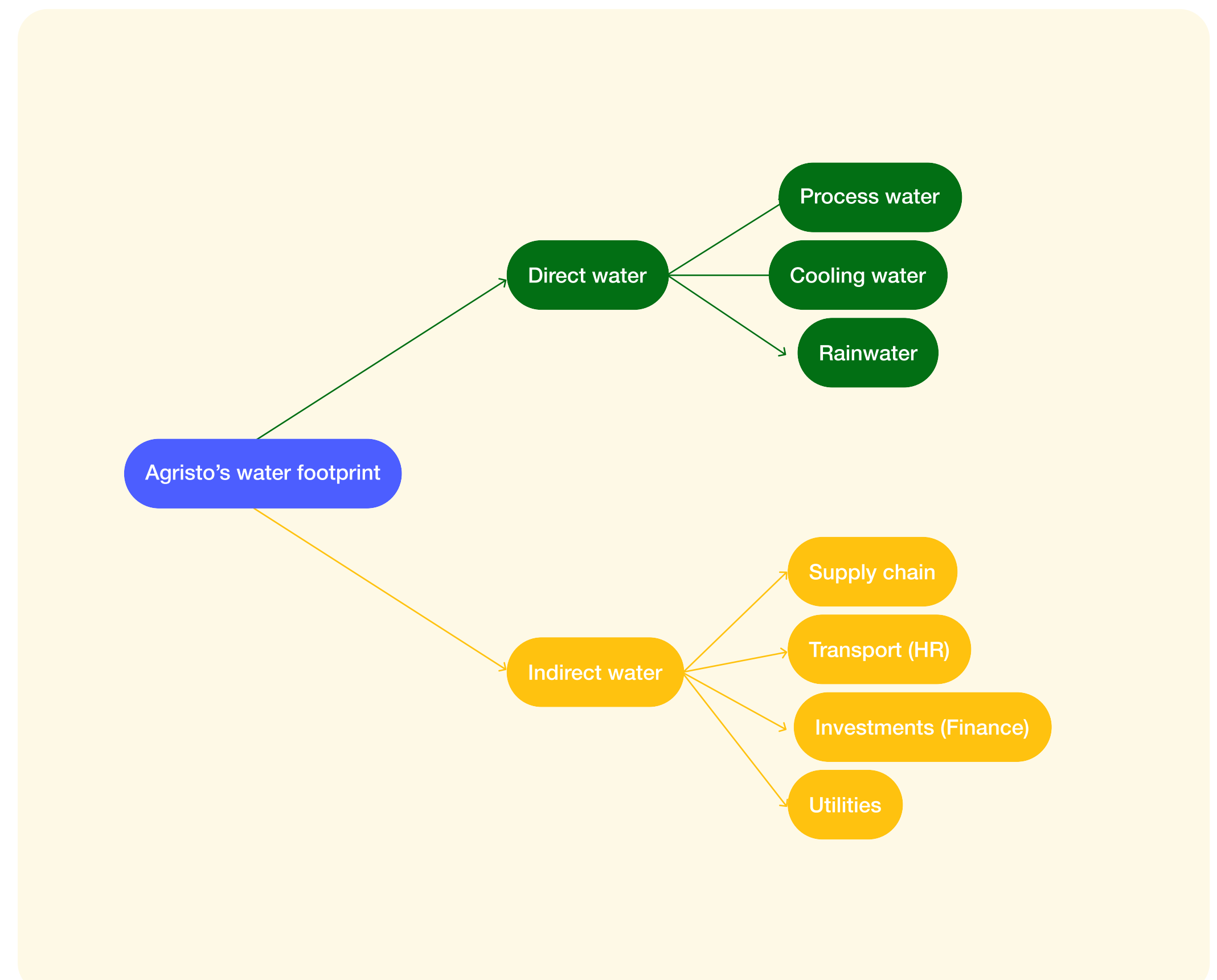
# P1 • Maximum utilization of our raw materials

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- **Conserving water**

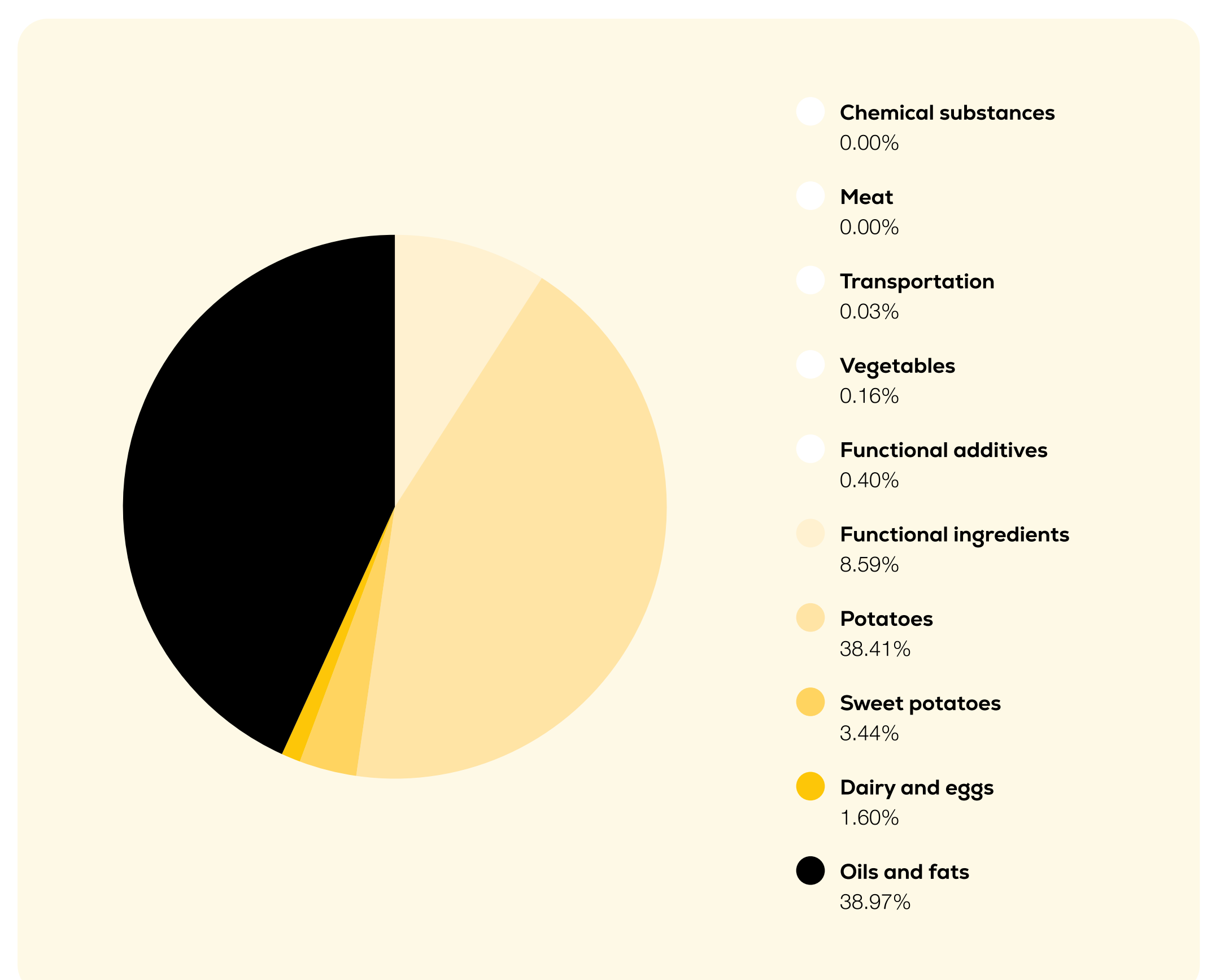
## Water footprint

In addition to our carbon footprint, we have also calculated our water footprint for the first time. Why? The carbon footprint helps us gain insights into the climate impact throughout the entire value chain, but water usage plays only a small role in it. The impact of water is not related to greenhouse gas emissions but focuses on the consumption of green (rainwater), blue (surface or groundwater), and grey water (polluted water) throughout the chain.

We followed the same approach as for our carbon footprint and used the Water Footprint Network's methodology. Since the water footprint is not as developed as the carbon footprint, certain investments and the processing of by-products were not included in the calculation.



Considering the entire chain, 1 kg of fries consumes 663 liters of water. This is a significant amount, equivalent to taking a bath 4 to 5 times. Similar to our carbon footprint, the majority of water usage is found in the value chain. While it accounted for 84% in the carbon footprint, the value chain is responsible for 99.3% of water usage in the water footprint. Here, we mainly see the impact of using rainwater for crops like potatoes (38.4%), sunflower oil, and palm oil (39%). Agristo's own water usage at 3.47 liters per kg is only a small part of the total. This indicates the need to continue focusing on our water usage and the importance of efficiently managing our resources.



What trends do we observe? Our water footprint per kg of product has slightly increased, attributable to higher sunflower oil consumption compared to palm oil. Here, we identify a contradiction: the carbon footprint of palm oil is higher than that of sunflower oil, whereas for the water footprint, it is the opposite.

Conclusion: This initial exercise provided interesting insights. As with our carbon footprint, we will continue to monitor and refine our water footprint, exploring how to use these insights in our decisions.

# P2 is for our Potatoholics

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## We put people first

- Connection
- Joy
- Care

## We grow together

- Ambition
- Learning culture
- Growth mindset

## We build our future

- Autonomy
  - Agility
  - Clarity
  - We serve our community
-

## P2 • We put people first

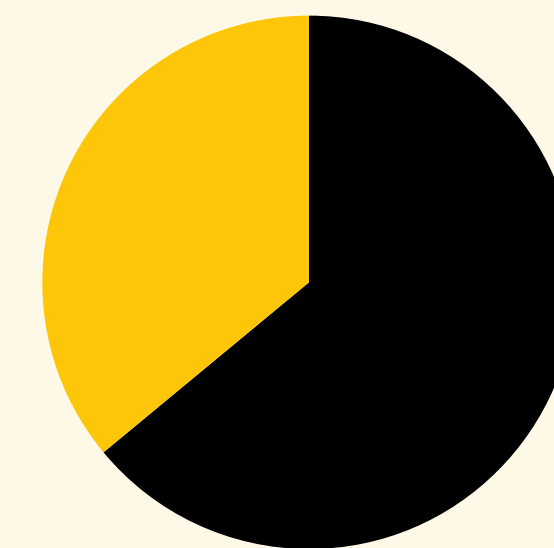


- **Connection**
- Joy
- Care

Agristo has quickly grown into an established international player. However, we aim to preserve the our family business roots: a relaxed atmosphere, a culture of connectedness and a warm welcome for everyone. New employees get to know this corporate culture through an extensive onboarding process, and are assigned a Potato Buddy to guide them within Agristo. A personal tour and point of contact for practical questions facilitate integration.

We encourage smooth and open communication between our departments. Each department, including the CEOs, regularly organizes meet-and-greet sessions.

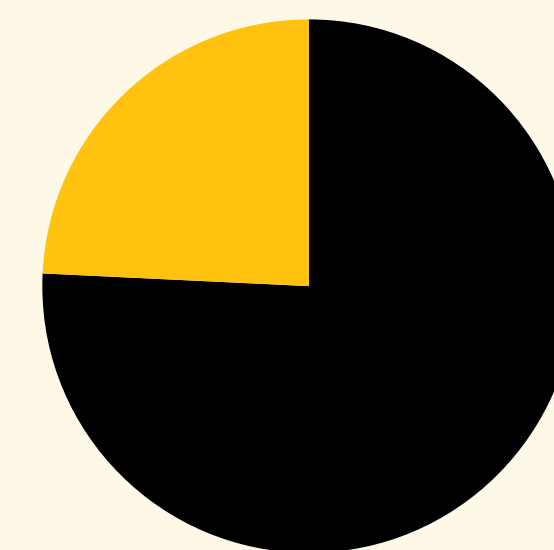
**Gender distribution in top management**  
Goal: 50-50



● **Male**  
64%

● **Female**  
36%

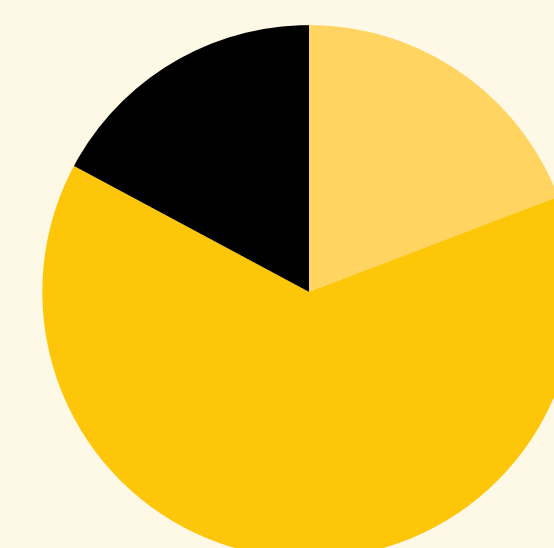
**Gender distribution among employees**



● **Male**  
75.8%

● **Female**  
24.2%

**Age distribution of employees**



● **<30 years**  
19.31%

● **30-50 years**  
63.37%

● **>50 years**  
17.31%

# 87% 😊

'Ik jeune mie'. Nothing better than this West Flemish expression to show how happy we are at work. A close-knit atmosphere is the reason that many of our employees proudly embrace the nickname Potatoholic. In our latest job satisfaction survey 91% of our employees stated that they are proud of their job, and 88% are proud to work at Agristo. In addition, 87% of the respondents claim to enjoy their work. All of this leads to a Net Promoter Score of 33.7.

### Always striving for (nearly) perfect happiness

Now, we understand that a company can never fully claim to be a family. But we make every effort to create an environment that is the next best thing. Agristo believes that a pleasant work environment is important for optimal happiness and performance. We are ambitious and celebrate our successes.

Each team is allocated a budget for an annual team-building activity. Agristo also organizes numerous events to bring the Potatoholics together: from a large-scale Winterfest to multiple 'Frydays' per site. We also aim to involve the families of our employees, making them just as proud of their Potatoholic as we are. Agristo holds a family day annually. Sports events, summer drinks and breakfasts, the annual Agristo quiz... life at Agristo means countless moments for our colleagues to socialize and bond over shared interests.

- Connection
- **Joy**
- Care



## P2 • We put people first

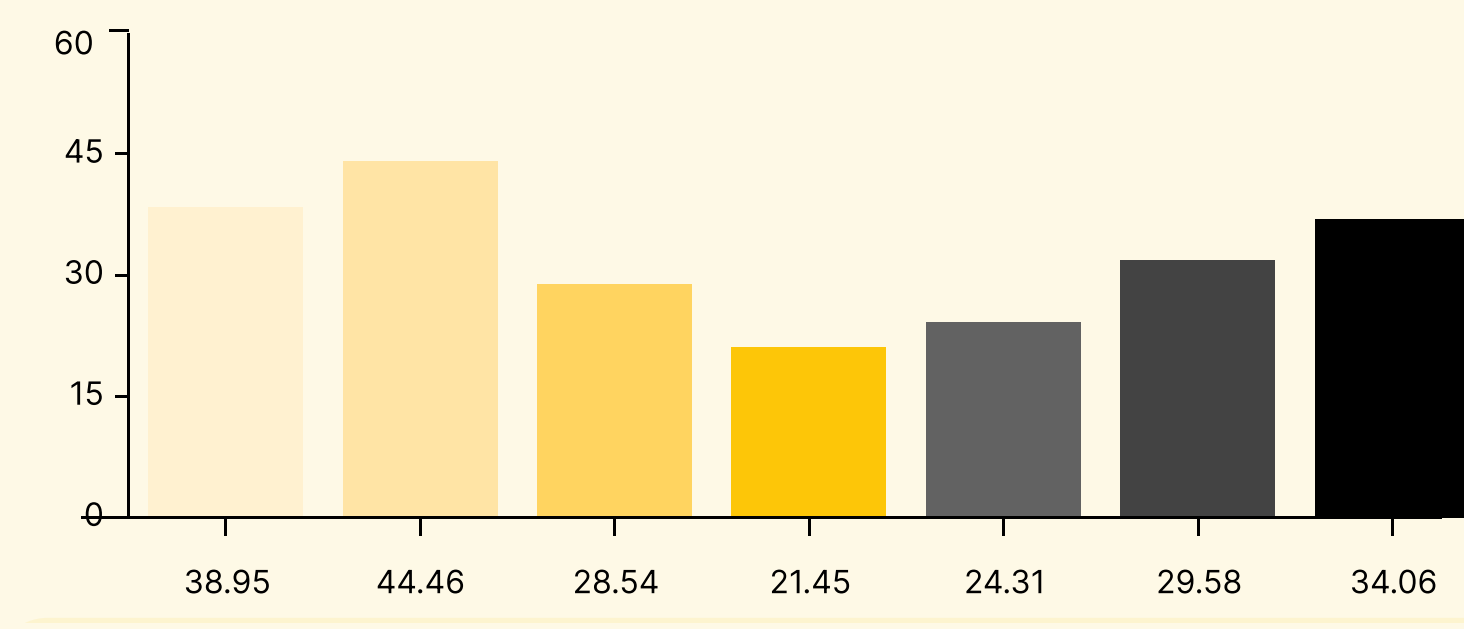
- Connection
- Joy
- Care



Safety is an absolute priority for the people in our factories, as well as for those in headquarters. Everyone should feel safe and well at work. How are we doing? We regularly assess this with the employees themselves through a satisfaction survey.

### Frequency Rate

One indicator of safety in the workplace is the frequency rate. It represents the total number of work accidents leading to at least one day of absence, relative to the total number of workdays with exposure to risks, multiplied by 1,000,000. Compared to our initial measurement in 2017 (FR 38.95), significant decreases were observed in the following years, until 2020 (FR 21.45).



The explosive growth Agristo has experienced led to a rapid expansion of the machinery and production capacity. We acknowledge that our safety culture needs to keep pace in the coming years and requires increased focus: since 2020, the frequency rate has been increasing annually, reaching 34.06 in 2023, equivalent to 20 work-related accidents. This current frequency rate is 14% lower than the initial measurement in 2017, but 62% higher than in 2020.

There is still room for improvement. Our employees rate their workplace safety at 6.7/10, compared to 7.9/10 in 2021. We particularly notice that the perception of machine safety (5.9/10) needs serious attention. This weakened sense of safety was fueled by several serious incidents. Now more than ever, we realize that during a period of strong growth, continuous work must be done to cultivate a generative safety culture. After these incidents, Agristo sought the expertise of safety professionals and immediately conducted a baseline assessment at each site to focus on safety. We aim to enhance our safety culture to reach the highest level on the Hudson Safety Ladder.

The baseline assessment conducted using this tool reveals that most of our sites have a reactive approach to safety, while one site operates at the calculative level. The goal is to evolve organizationally, technically, and in our safety behavior towards a proactive safety culture. We have set a target for all our sites to achieve the calculative level by 2027, progressing towards a proactive level by 2030. As initial interim steps, in 2023, we formulated top-down projects that:

1. Positively influence the overall safety culture
2. Ensure a foolproof LOTOTO procedure (Lock Out – Tag Out – Try Out), making it impossible for a machine to activate when people are working on it
3. Focus on mitigating the key safety risks at each site, identified through workshops with our employees

### Making safety trendy

Following an internal satisfaction survey, we designed a new, trendy line of workwear. Employees want to dress according to the season. We have now provided workwear in lightweight materials that feel comfortable in warmer periods. In colder months, we use layers of thermal clothing. The clothing is easy to wash and has a long lifespan.

A second innovative aspect is visibility. In collaboration with our prevention department and various quality departments, we chose to include fluorescent and reflective elements in every garment. Thanks to good visibility, our employees no longer need to wear a separate high-visibility vest.

At each site, employees can obtain their clothing through a vending machine, eliminating the need for internal organization intervention. This eliminates the 'dormant stock' - one more sustainable step forward.

Ambition	Topic	Item	KPI	Unit	Goal 2030
People	We put people first	Health & safety	Number and frequency rate of work-related accidents	20 and 38.26	0
People	We put people first	Health & safety	Number of cases of work-related poor health - absenteeism	1385	5%

## P2 • We grow together

# We make you grow



We question what works today, so we can do even better tomorrow. This is one of our guiding principles within the compass. We want to grow together with all our stakeholders: from our employees to our growers and customers. Agristo believes that ambition and growth of its Potatoholics creates a ripple effect, enabling each subsequent link in the chain to move forward.

- **Ambition**
- Learning culture
- Growth mindset

To offer individual and collective ambitions the highest chances of success, we establish a framework that promotes lifelong learning. But we also aim for maximum operational efficiency in terms of infrastructure. Streamlined processes and modern equipment means fewer administrative obligations, allowing our Potatoholics to focus more on their professional development.

“ The Agristo Academy contributes to Agristo's growth through impactful learning. We work with our Potatoholics to create a warm learning environment where everyone has opportunities to grow.

— Hanne Bovijn, Learning & Development Manager



- Ambition
- **Learning culture**
- Growth mindset

Within Agristo, we remain ambitious and curious, and we maintain broad interests. We focus on lifelong learning and provide our employees with the tools and learning paths they need to continue developing. That's why, in 2023, the Agristo Academy was established. A dedicated learning & development team is working on developing programs focusing on people skills, safety, food hygiene, technical expertise, operational excellence, product knowledge, sustainability, and the environment.

"The Agristo Academy contributes to Agristo's growth through impactful learning. We work with our Potatoholics to create a warm learning environment where everyone has opportunities to grow." – Hanne Bovijn, Learning & Development Manager

The Agristo Academy's work is linked to several KPIs and will ensure that the culture of learning remains an intrinsic part of our corporate culture. This has a positive influence on many aspects of our life here, such as promoting a safety mindset through regular safety training. Agristo aims for 5% of work time to be allocated to training. Through the development of the Agristo Academy, we aim to provide new and existing employees with all the resources to succeed.

#### **Agristo Academy KPIs:**

- Rollout of the learning management system
  - Wielsbeke: June 2024
  - Nazareth and Harelbeke: September 2024
  - Tilburg: November 2024
- Establish a learning campus at each site.
- Recruit dedicated specialised trainers.



## P2 • We grow together

- Ambition
- Learning culture
- **Growth mindset**



We nurture a growth mindset among our employees. With the growth opportunities we offer, they can decide how they want to grow. They can either enhance their skills within the same role or broaden their expertise and take advantage of our extensive and regular opportunities for vertical growth.

In a modern work environment where more and more people seek advancement with a new employer, we make every effort to promote internal mobility and enable a long-lasting career within Agristo. Because we believe that with the right growth mindset, everyone can reach their potential.

- **Autonomy**
- Agility
- Clarity
- We serve our community

## Video: Future Wielsbeke

We empower our employees and encourage each other to take responsibility for our work. In our production lines, we are implementing a new, versatile organizational structure. We train employees to fulfill two or even three different roles. For example, an operator can also operate the packaging machine and drive a forklift.

Through a versatile structure, we provide employees with opportunities to grow horizontally and broaden their skills. This also enables them to work autonomously and flexibly together, in strong teams capable of distributing roles and taking flexible leave.

This is combined with a feedback culture that encourages sharing knowledge and information. We motivate our employees to celebrate their successes. Our goal for 2030 is for every Potatoholic to have an annual 'power up' conversation with their team leader. They can discuss what they find enjoyable or not about the job and where they wish to progress. During the conversation, action points are determined, which must be addressed within the year. In 2023, 39% of employees had a defined development discussion, while the rest were continuously supported by a manager.

## P2 • We build our future

- Autonomy
- **Agility**
- Clarity
- We serve our community

Through various means, we offer every employee the opportunity to plan their career within Agristo. Potatoholics can discover hidden talents and new career opportunities through a talent scan. Based on the scan, we identify internal exchange options or growth opportunities. Vacancies are initially shared internally before being made public.

We also advocate for personal growth by offering individual coaching on stress and burnout, assertiveness training, and workshops on personal leadership. We aim for 100% of Agristo's managers to participate in a customized development program. In essence, we provide everything our people need to grow into who they want to be. As an organization, we must also be flexible in how we progress. Agristo regularly questions its organizational models to remain future-proof as an agile organization.



### The gusto of Augusto

Internal mobility: a story of passion and potential

With Potatoholics of 23 different nationalities, Agristo is a melting pot full of diversity and potential just waiting to be uncovered. Augusto Vieira, a Brazilian who moved to Belgium for love, began his adventure as a Potatoholic in 2016. Agristo helped Augusto pursue his passion, which aligns with his studies.

He has a passion for potatoes, especially for the environment. Augusto graduated in environmental management in Brazil, but his degree was not recognized here. Agristo offered him the opportunity to start as a packaging operator, with the possibility of progressing to a role as environmental employee once he completed his training and tests within Agristo. To further support him, we provided Dutch lessons. 'I am happy to have been offered all these opportunities. And thanks to the language lessons, I was able to successfully complete the training and my current tasks,' says Augusto.

After successfully passing his test, he started work in 2023 in our environmental department, focusing on our water purification system.

## P2 • We build our future



- Autonomy
- Agility
- **Clarity**
- We serve our community

Within an agile, strong organization, it is necessary that our employees form a solid team, have certain competencies and know what is expected of them. At the individual, team, department and corporate level, we define concrete goals. Our employees know where we want to go and also know how they play a role and contribute to the realization of these goals.

## P2 • We build our future

- Autonomy
- Agility
- Clarity
- **We serve our community**



Our Potatoholics form a close-knit community. However, we also want to engage with the broader community and society. Agristo makes every effort to build positive relationships with the wider environment it is part of.

### Minimal impact, maximum engagement

We consider natural integration into the environment important. We are equally committed to preserving the environment around us. The headquarters in Wielsbeke are surrounded by a green buffer. There is also a buzz around both this site and the one in Harelbeke: bees! Agristo maintains several beehives, supporting these essential beings, boosting biological diversity, and harvesting honey which is distributed to our newest employees.

We see our neighbors as ambassadors, proud of our potato. Several times a year, we hold resident meetings where we address any concerns (related to traffic, noise, or odors) and showcase our sustainability efforts. We also make our buildings available to the community. Local organizations, youth groups, and exhibitions of local artistic talent frequently hold events there. We also gladly support these local communities with sponsorships, either directly or with our delicious fries.

### Studying at Agristo

We also open our office spaces to students during exam periods. Students can sign up online for a spot, where we provide a quiet study environment. They also receive a tasty plate of fries at lunchtime. The initiative is well-received by students in the area: spots are quickly taken up every year.



### Everyone deserves the chance to work

We believe that everyone has the right to self-development and deserve the chance to work. In 2023, Agristo started a collaboration with the local social enterprise WAAK, creating opportunities for people with disabilities. We provide employment for these individuals: they take on more accessible roles in our sorting lines and also contribute to the site's green maintenance in Wielsbeke.

"The WAAK employees are respected by all the Agristo employees. They often interact with each other and have lunch together. They are treated like regular employees. They always give their best and put in 200%. Thanks to the guidance and dedication of our own employees, they are on par with the other teams. This commands respect," our supervisor explains.

# P3 is for our beloved potatoes

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Agristo aims for maximum food safety and transparency. We want to deliver quality nutritious food to our end consumers in a safe manner.

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**Food safety**

**Transparency**

## P3 • Food Safety



Our efforts in the field of food safety and quality extend throughout every layer of our ecosystem, from the potato field to the end customer.

We ensure that every Potatoholic immediately understands the importance of hygiene regulations: new employees undergo a food safety training during their onboarding. We also aim to raise awareness among employees who do not work on the production floor or handle potatoes. As for our end customers, we provide a disclaimer on all our packaging stating that the products cannot be refrozen after thawing, and all cooking instructions are standardized.

Our internal food safety procedures are outlined in the HACCP manual. In addition to ensuring a high-quality potato and end product, filtering and detection machines prevent foreign objects from entering the food. Every hour, the operator on duty performs a system check to ensure the machines are functioning properly. This is a standard process for all our products. There remains a risk for food items that are pureed.

When Agristo receives a notification, it is assigned a handling status. We have 4 urgency levels, ranging from low and normal to urgent and immediate. Notifications related to food safety are automatically treated with the highest urgency. The goal is to reduce notifications regarding food safety to 0.

## P3 • Transparency



While food safety was identified as a top priority by our stakeholders in a survey, transparency ranked slightly lower on the scale. This can be explained by the strict European regulations that already require companies to communicate with complete transparency. Agristo does not set specific KPIs for this as we comply with - and indeed exceed - legal standards.

According to these standards, a company must demonstrate transparency up to the previous link. For Agristo, the previous link in the chain is our potato suppliers. We go a step further and demand a transparency guarantee from our suppliers for the link before them: the growers.

Transparency up to the previous link means that Agristo obliges our suppliers to provide the necessary GFSI certification. We have full knowledge of the origin of our raw materials. This enables us to purchase only those raw materials that are grown and cultivated according to sustainable practices and in humane conditions. We also adhere to GFSI standards ourselves. Within Agristo, all our sites undergo an IFS or BRC audit annually to meet the applicable quality requirements.



OUTRO

# Good governance as a foundation

## Sustainable business operations for Agristo



Sustainable business operations are inherent to Agristo's purpose and future plans. Everything starts with the potato, which is central to Agristo. Potatoes are a natural product, subject to the whims of the climate. If potato cultivation comes under pressure due to a changing climate, it affects the fundamentals of life. Combating climate change and ensuring that every link in our supply chain can adapt to new circumstances is therefore central to our business operations.

Moreover, every process in our company and our supply chain is managed by people, all trying to make a difference in their area and ultimately contributing to local and global communities. We strive for maximum development for everyone who comes into contact with Agristo, directly or indirectly. This can only be achieved with ethical and sustainable business practices. Agristo is growing but remains a family business. We believe our growth has only been possible by putting people at the center, and we are equally convinced that we will only be able to realize our future plans if we continue to do so.

When asked why someone likes to work with Agristo, the company culture is often the answer. It is not always easy to describe what this company culture exactly is. What is clear, however, is that people sense it. An employee, neighbor, customer, or supplier who enters our premises or comes into contact with us feels this culture. A drive and ambition that revolves around people. This is reflected in the values that are central to our company culture, which you can read more about in the 'About Agristo' chapter.

# Our policy on sustainable business operations

Policy	Document reference	Scope	Status	Responsible party
Company culture	Values compass	Internal	Applicable	CEO
Code of conduct	Human rights policy	Internal + suppliers	Applicable	Legal
Whistleblowers	Whistleblower policy	Internal + external	Applicable internally + further rollout needed in 2024	Legal
Corruption and bribery	Anti-corruption and fraud policy	Internal + external	Applicable	Legal
Supplier selection procedure	/	/	/	Procurement
Payment procedure	Payment cycle + 4-eyes policy	Internal	Applicable	Finance

## Ethical business operations and culture

Sustainability is ingrained throughout the entire organization. The company culture has been established and monitored by a working group consisting of members of management and employees from different departments. Communication about the company culture is conducted through internal communication channels such as newsletters, intranet, and a specific website that explains the Agristo compass.

The extent to which someone subscribes to the company culture is an important criterion in the recruitment of new employees. During the onboarding process, every new employee is informed about the applicable procedures and codes of conduct. The company culture is also a topic in the MyStory conversations that every employee has at least once a year with their supervisor. Every supervisor evaluates their employees based on the applicable codes of conduct and the company culture. Behavior contrary to the law is reported to the legal & external affairs department or through a whistleblowing procedure.

## Anti-corruption and fraud policy

Within the finance departments, there is a control department at both group and plant levels that prepares reports and detects irregularities. Furthermore, every incoming invoice is processed using the 4-eyes principle, so that it is approved by at least two employees. In addition, an authorization matrix is in place within which - depending on the job level - approvals are limited to certain threshold amounts.

If incidents of corruption or bribery were to occur, management would be informed through the steering teams (at plant level) or through the legal & external affairs department (at group level).

## Sustainable procurement

New suppliers must complete a questionnaire before we decide whether or not to enter into a partnership. This questionnaire includes a section on ethical behavior, as well as sustainability and respect for the environment.

## Our ambitions for 2030

We've established definitions and measurement methods for all objectives and KPIs to ensure they can be calculated consistently. Because the world is constantly changing, we have procedures in place to update our methods without compromising comparability.

When interpreting results, insights from the measurement data are also considered. This allows us to apply the necessary nuance to differences in, for example, water and energy consumption in wet and dry years. Updating conversion factors, such as emission factors in the carbon footprint, plays an important role in this process. While in the past general emission factors were sometimes used for larger product groups, increasingly specific emission factors are now available for individual product categories.

To provide the most accurate representation possible and enable objective comparisons between different years, the emission factors, where relevant, have also been adjusted for the calculations of previous years. This increases the accuracy of those calculations. For other product categories, the emission factors have not been adjusted for past years because the change can be attributed to recent shifts in the way these products are manufactured.\*\*



# Attachments

KPI overview



Ambition	Topic	Item	KPI	Unit	Target 2030	Baseline 2019	2022	2023
Planet	Climate action	Carbon footprint - scope 1	Total scope 1 emission	ton CO2-eq		78,966	72,674	75,780
Planet	Climate action	Carbon footprint - scope 1	% scope 1 emissions in ETS	%		84%	98%	97%
Planet	Climate action	Carbon footprint - scope 1	Relative scope 1 emission	ton CO2-eq per ton of finished product	-50% (1+2)	0.109	0.082	0.085
Planet	Climate action	Carbon footprint - scope 2	Total location based scope 2 emissions	ton CO2-eq		48,220	58,938	60,043
Planet	Climate action	Carbon footprint - scope 2	Total market based scope 2 emissions	ton CO2-eq		43,580	48,418	23,993
Planet	Climate action	Carbon footprint - scope 2	Relative scope 2 emission	ton CO2-eq per ton of finished product	-50% (1+2)	0.06	0.055	0.027
Planet	Climate action	Carbon footprint	Scope 1+2 reduction - relative	%	-50%	/	19.5%	33.8%
Planet	Climate action	Carbon footprint	Scope 1+2 reduction - absolute	%		/	1.2%	18.6%
Planet	Climate action	Carbon footprint - scope 3	Total scope 3 emissions per category	ton CO2-eq	/	454,551	525,332	529,806
Planet	Climate action	Carbon footprint - scope 3	Scope 3 category 1 - Purchased goods and services	ton CO2-eq	N/A	311,124	379,288	378,754
Planet	Climate action	Carbon footprint - scope 3	Scope 3 category 2 - Capital goods	ton CO2-eq	N/A	4,962	5,478	5,670
Planet	Climate action	Carbon footprint - scope 3	Scope 3 category 3 - Fuel and energy-related activities	ton CO2-eq	N/A	19,062	18,312	16,680
Planet	Climate action	Carbon footprint - scope 3	Scope 3 category 4 - Upstream transportation and distribution	ton CO2-eq	N/A	0	2	2
Planet	Climate action	Carbon footprint - scope 3	Scope 3 category 5 - Waste generated in operations	ton CO2-eq	N/A	12,738	12,291	14,438
Planet	Climate action	Carbon footprint - scope 3	Scope 3 category 6 - Business travel	ton CO2-eq	N/A	236	112	79
Planet	Climate action	Carbon footprint - scope 3	Scope 3 category 7 - Employee commuting	ton CO2-eq	N/A	614	637	733
Planet	Climate action	Carbon footprint - scope 3	Scope 3 category 9 - Downstream transportation and distribution	ton CO2-eq	N/A	82,814	86,416	87,507
Planet	Climate action	Carbon footprint - scope 3	Scope 3 category 15 - Investments	ton CO2-eq	N/A	23,000	22,796	25,943
Planet	Climate action	Carbon footprint - scope 3	Relative scope 3 emission	ton CO2-eq per ton of finished product		0.628	0.591	0.596
Planet	Climate action	Carbon footprint	Total GHG emissions	ton CO2-eq		577,097	646,424	629,579
Planet	Climate action	Carbon footprint	GHG intensity	ton CO2-eq per € net revenue				0.497
Planet	Climate action	Carbon footprint	GHG intensity	ton CO2-eq per ton of finished product	-30% (1+2+3)	0.798	0.728	0.708
Planet	Climate action	Carbon footprint	Scope 1+2+3 reduction - relative	%			8.8%	11.3%
Planet	Climate action	Carbon footprint	Scope 1+2+3 reduction - absolute	%			-12%	-9.1%

Ambition	Topic	Item	KPI	Unit	Target 2030	Baseline 2019	2022	2023
Planet	Climate action	Energy consumption	Total fossil energy consumption	MWh		520,789 MWh	497,125 MWh	458,548 MWh
Planet	Climate action	Energy consumption	Total nuclear energy consumption	MWh		68,778 MWh	93,831 MWh	142,957 MWh
Planet	Climate action	Energy consumption	Total renewable energy consumption	MWh		30,414 MWh	165,277 MWh	176,173 MWh
Planet	Climate action	Energy consumption	% renewable energy	%	50%	4.91%	21.86%	22.65%
Planet	Climate action	Energy consumption	Electricity consumption	MWh		170,733 MWh	204,003 MWh	207,867 MWh
Planet	Climate action	Energy consumption	Heat consumption	MWh		448,608 MWh	551,524 MWh	564,301 MWh
Planet	Climate action	Energy consumption	Energy intensity	MWh / ton finished product				
Planet	Climate action	Energy consumption	Energy intensity	MWh / ton finished product	-10%	0.86	0.85	0.87
Planet	Water	Water consumption	Total Agristo water footprint	m <sup>3</sup>		2,506,926	3,065,832	3,085,137
Planet	Water	Water consumption	Water consumption in high-risk areas	m <sup>3</sup>		1,649,939	2,137,472	2,116,420
Planet	Water	Water consumption	Recycled and reused water	m <sup>3</sup>	10%	0	0	90,764
Planet	Water	Water consumption	Total water storage	m <sup>3</sup>		0	0	0
Planet	Water	Water consumption	Water intensity	m <sup>3</sup> / € net revenue				2.43
Planet	Water	Water consumption	Water intensity	m <sup>3</sup> / ton finished product	-10%	3.47	3.45	3.47
Planet	Water	Water consumption	% alternative water sources	%	50%	38%	43%	44%
Planet	Water	Water footprint	Total Agristo water footprint	m <sup>3</sup>		447,427,071	585,257,158	590,108,650
Planet	Water	Water footprint	Water footprint per ton of product	m <sup>3</sup> / ton finished product		619	659	663
Planet	Water	Water discharge	Total discharge of treated effluent	m <sup>3</sup>	N/A	2,182,955	2,775,943	2,923,016
Planet	Sustainable use of resources	Resource inflows	Total input of biological and technical materials	ton	N/A	1,146,089	1,400,702	1,432,229
Planet	Sustainable use of resources	Resource inflows	Non-virgin reused or recycled components, intermediates, and materials	%		0%	0%	0%
Planet	Sustainable use of resources	Resource inflows	Raw material and material intensity	ton / ton end product	-10%	1.58	1.58	1.61
Planet	Waste and packaging	Waste	Total amount of waste (only by-products)	ton		578,004	300,894	308,304
Planet	Waste and packaging	Waste	Waste processing into reuse, recycle, other (by-products)	ton		578,004	300,894	308,304
Planet	Waste and packaging	Waste	Avoided amount of waste (potato only)	ton		18,321	38,510	41,972
Planet	Waste and packaging	Waste	Quantities of recycled and non-recycled waste (by-products)	ton,%	Recycling (animal feed)	56%	64%	62%
					Non-recycled (= fermentation)	41%	24%	26%
Planet	Waste and packaging	Waste	Quantities of hazardous and radioactive waste (by-products)	ton		0	0	0
Planet	Waste and packaging	By-products	% by-product that is not food loss	%		59.3%	75.8%	74.3%

Ambition	Topic	Item	KPI	Unit	Target 2030	Baseline 2019	2022	2023
Planet	Agro	Sustainable agriculture	% of potatoes certified by Vegaplan	%	100%	100%	100%	100%
Planet	Agro	Sustainable agriculture	% of growers measuring their carbon footprint	%		0%	0%	0%
Planet	Agro	Sustainable agriculture	Number of growers initiating a climate impact reduction improvement project	%		0%	0%	0%
People	We put people first	Health & safety	% of employees covered by a health & safety management system	%	100%			100%
People	We put people first	Health & safety	Number and frequency rate of work-related accidents	%				20 and 38.26
People	We put people first	Health & safety	Number of cases of work-related ill health ~ absenteeism	#				1,386
People	We put people first	Health & safety	Number of days lost to work-related injuries, accidents, fatalities, or illness	#				
People	We put people first	Health & safety	% of employees covered by a collective labor agreement	%	100%			100%
	We put people first	Health & safety	% of employees represented by delegates		100%			
People	We put people first	Diversity	Gender distribution in top management	%	50-50			64% m - 36% f
	We put people first	Diversity	Gender distribution of employees					
People	We put people first	Diversity	Age distribution of employees <30 years 30< <50 years >50 years	%	N/A			18-29 (174) 19.31% 30-50 (571) 63.37% 50+ (156) 17.31%
People	We put people first	Remuneration	% of employees per country paid below the applicable benchmark		0%			
People	We put people first	Work-life balance	Number of employees eligible for family leave	%				14%
People	We put people first	Work-life balance	Number of employees taking family leave, by gender	%		236	112	733
People	We put people first	Work-life balance	Staff turnover	%		With regard to Tilburg and Nazareth, reduce to 10%, for Wielsbeke to 15%		
People	We put people first	Remuneration	Gender pay gap					
People	We put people first	Remuneration	Ratio of highest to median paid person					



Ambition	Topic	Item	KPI	Unit	Target 2030	Baseline 2019	2022	2023
People	We grow together	Learning & development	% of employees having regular performance and development discussions, by gender	%	100%			39%
People	We grow together	Learning & development	Average number of hours of training per employee, by gender	h	5%			
People	We grow together	Learning & development	% of managers with a tailored development programme	%	100%			
People	We put people first	Enjoy	Employee satisfaction	#	No decrease			33.7
Governance	Payments	Payments	Number of outstanding procedures for late payments	#				
Governance	Prevention of corruption and bribery	Corruption & bribery	% of risk functions subject to training programmes	%	100%			
Governance	Prevention of corruption and bribery	Corruption & bribery	Number of convictions and fines for breaching the anti-corruption and bribery policy	#				
Governance	We put people first	Reception	Monetary contributions that can be linked to lobbying	€				
Governance	Corporate culture & business conduct	Code of practice	% of employees aware of the code of practice	%				
Product	Food safety & health	Food safety	Number of complaints related to food safety	#	0			
Product	Transparency	Transparency	Gender distribution of employees	%	100%			
Product	Food safety and health	Health	% of products that can be cooked in the oven or air fryer	%				